

RESULTS  
STATE OIL AND GAS BOARD OF ALABAMA  
BOARD MEETING  
FEBRUARY 2 & 4, 2009

1. DOCKET NO. 6-16-08-16B

Continued amended petition by BENJAMIN V. COODY, d/b/a Pete's Pumping Service, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced from the Eula Jones #1 Well, Permit No. 1288, located on a 40-acre unit consisting of the Northeast Quarter of the Southwest Quarter of Section 2, Township 10 North, Range 3 West, Choctaw County, Alabama, in the Gilbertown Oil Field.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

The public is further advised that, pursuant to this hearing, the applicable provision of the Code of Alabama (1975), and the State Oil and Gas Board of Alabama Administrative Code, the Board will enter such Order or Orders as in its judgment may be necessary in accordance with the evidence submitted and accepted.

**BOARD ACTION:** Continued 2-4-09 to the May 7, 2009, regularly scheduled meeting of the Board.

2. DOCKET NO. 11-4-08-1

Continued petition by WINN EXPLORATION CO., INC., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an order amending Rule 1 of the Special Field Rules for the Baileys Creek Field, Monroe County, Alabama, to include the East Half of the Northeast Quarter of Section 35, Township 5 North, Range 5 East, amending Rule 3 of those Special Field Rules to allow for spacing of wells on units consisting of 160 contiguous acres and amending Rule 7 of those Special Field Rules in order to establish permanent allowables for each well in the field and approving the drilling unit of the Winn Exploration Co., Inc. Craft-Noble 35-1 No. 1 Well, Permit No. 15396, consisting of the Northeast Quarter of said Section 35 as the permanent production unit for the said Well.

**BOARD ACTION:** Granted 2-4-09

ORDER NO. 2009-7

3. DOCKET NO. 11-4-08-2C

Continued amended petition by SPOONER PETROLEUM COMPANY, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an Order amending Rule 2 of the Special Field Rules for the East Lambeth Church Field, Escambia County, Alabama, to add and define the Cogle Sand Oil Pool for said Field and to approve the permanent production unit for the Powell-Rabon 3-11 No. 1 Well, Permit No. 15711-AB.

Petitioner requests that the Cogle Sand Oil Pool in the East Lambeth Church Field be defined as that interval of the Cogle Sand productive of hydrocarbons between the interval of 6550 feet and 6570 feet TVD (6576 feet and 6598 feet MD) as indicated on the High Definition Induction Log for the Powell-Rabon 3-11 No. 1 Well, Permit No. 15711-AB, and all zones in communication therewith and all productive extensions thereof. Said pool constitutes a separate and distinct oil producing pool in said Field, separate and distinct from all other producing pools therein.

Petitioner also requests that the drilling unit for the Powell-Rabon 3-11 No. 1 Well, Permit No. 15711-AB, consisting of the East Half of the Northwest Quarter of the Southwest Quarter and the West Half of the Northeast Quarter of the Southwest Quarter of Section 3, Township 1 North, Range 8 East, Escambia County, Alabama, be approved as the permanent production unit for said well.

**BOARD ACTION:** Continued 2-4-09 with the stipulation that the temporary allowable be continued until the next regularly scheduled meeting of the Board.

4. DOCKET NO. 12-9-08-9

Continued petition by COLUMBIA PETROLEUM LLC, a foreign limited liability company authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the exceptional bottom hole location of the Nick Ross 24-11 #2 Well, Permit No. 15852, as an exception to Rule 3(b) the Special Field Rules of the Little Cedar Creek Field. Said well was drilled on a 160 acre drilling unit consisting of the Southwest Quarter of Section 24, Township 4 North, Range 12 East, Conecuh County, Alabama, at a surface location 678 feet from the North line of said 160 acre drilling unit, but said well drifted such that the bottom hole location is 653 feet from the North line of said 160 acre unit, and as such, is an exception to said Rule.

Rule 3(b) of the Special Field Rules of the Little Cedar Creek Field requires that wells be drilled at least 660 feet from every exterior boundary of the drilling unit, but the bottom hole location of the referenced well, being 653 feet from the North line of said 160 acre drilling unit, is an exception to said Rule.

**BOARD ACTION:** Dismissed 2-4-09

ORDER NO. 2009-8

5. DOCKET NO. 2-2-9-01

Petition by DENBURY ONSHORE, LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama, pursuant to Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code, to enter an order approving the temporarily abandoned status and pursuant to Rule 400-4-2-.01(5) of the State Oil and Gas Board of Alabama Administrative Code to enter an order approving the extension of the Class II injection permits with the approvals applying to certain wells located in the Citronelle Field, Mobile County, Alabama, in the following areas for a period of one (1) year:

Citronelle Unit

Township 2 North, Range 3 West  
Sections 21, 22, 23, 24, 25, 26, 27, 28, 33, 34, 35, 36

Township 2 North, Range 2 West  
Sections 17, 18, 19, 20, 29, 30, 31

Township 1 North, Range 3 West  
Sections 1, 2, 3, 10, 11, 12, 13, 14

Township 1 North, Range 2 West  
Sections 5, 6, 7, 8, 9, 16, 17, 18

Southeast Citronelle Unit

Township 1 North, Range 2 West  
Sections 4, 5, 8, 9, 10

Township 2 North, Range 2 West  
Sections 32 and 33

East Citronelle Unit

Township 1 North, Range 2 West  
Section 6

Township 2 North, Range 2 West  
Sections 29, 31, 32

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-9

6. DOCKET NO. 2-2-09-02

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced in a well to be drilled on a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of Section 17, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-10

7. DOCKET NO. 2-2-09-03

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced in a well to be drilled on a 40-acre unit consisting of the Southeast Quarter of the Northeast Quarter of Section 17, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field.

This Petition is in accordance with Section 9-17-13, Code of Alabama (1975), as amended, and Rule 400-7-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-11

8. DOCKET NO. 2-2-09-04A

Amended petition by ROBINSON’S BEND OPERATING II, LLC, a foreign corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming the unit for the Ingram 36-13-705 Well, Permit No. 14987-C, from a 40-acre unit consisting of the Southwest Quarter of the Southwest Quarter of Section 36, Township 21 South, Range 11 West, Tuscaloosa County, Alabama, in the Robinson’s Bend Coal Degasification Field to an 80-acre unit consisting of the South Half of the Southwest Quarter of said Section 36.

The Ingram 36-13-705 was permitted and drilled on the above-described 80-acre unit consisting of the South Half of the Southwest Quarter of said Section 36. Upon the request of Petitioner, the Board issued Order No. 2008-157 on October 2, 2008, reforming the 80-acre unit for said well to the existing 40-acre unit.

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-12

9. DOCKET NO. 2-2-09-05

Petition by EXXON MOBIL CORPORATION, acting for the operator, Mobil Oil Exploration & Producing Southeast Inc., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the shut-in status and temporarily abandoned status of the following offshore wells located in Baldwin and Mobile Counties, Alabama, in the Lower Mobile Bay-Mary Ann Field, in accordance with Rule 400-2-4-.14 (1) and (2) of the State Oil and Gas Board of Alabama Administrative Code:

<u>PERMIT NO.</u>	<u>WELL NAME</u>	<u>STATUS</u>
3135-OS-6-B	State Lease 349 #2	Shut-in
2543-OS-3-B	State Lease 347 #1	Temporarily abandoned
3614-OS-14	State Lease 347 #2	Temporarily abandoned

Petitioner requests that the Board grant a one year extension of the shut-in status and temporarily abandoned status of the above referenced wells because said wells have future utility and should not be plugged.

Petitioner plans to plug and abandon the following wells in 2009, and therefore requests an extension of the shut-in and temporarily abandoned status of the following wells until the wells are plugged and abandoned:

<u>PERMIT NO.</u>	<u>WELL NAME</u>	<u>STATUS</u>
10557-OS-59-B1	Alabama State Lease 350 (Tract 95)Well #5 S/T#1	Shut-in.
3127-OS-5	State Lease 350 #1	Temporarily abandoned.

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-13

10. DOCKET NO. 2-2-09-06

Petition by EXXON MOBIL CORPORATION, a foreign corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the shut-in status of the following offshore wells in Mobile County, Alabama, in the Northwest Gulf Field-Mobile Area, in accordance with Rule 400-2-4-.14(2) of the State Oil and Gas Board of Alabama Administrative Code:

<u>PERMIT NO.</u>	<u>WELL NAME</u>
12155-OS-85-B	S/L 537 Block 112 #4
10121-OS-53	State Lease 537 #2
11009-OS-65-B	State Lease 536 #3

Petitioner requests that the Board grant a one year extension of the shut-in status of the referenced wells because said wells have future utility and should not be plugged.

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-14

11. DOCKET NO. 2-2-09-07

Petition by EXXON MOBIL CORPORATION, acting for the operator, Mobil Oil Exploration & Producing Southeast Inc., a foreign corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the shut-in status of the following offshore well in Baldwin County, Alabama, in the Southeast Mobile Bay Field, in accordance with Rule 400-2-4-.14(2) of the State Oil and Gas

Board of Alabama Administrative Code:

PERMIT NO.

WELL NAME

3346-OS-8-B

State Lease 350 #2

Petitioner requests that the Board grant an extension of the shut-in status of the referenced well until such time as Petitioner plugs and abandons the well in 2009.

**BOARD ACTION:** Granted 2-4-09  
**ORDER NO.** 2009-15

12. **DOCKET NO.** 2-2-09-08

Petition by EXXON MOBIL CORPORATION, acting for the operator, Mobil Oil Exploration & Producing Southeast Inc., a foreign corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status for the following offshore well in Mobile County, Alabama, in the Aloe Bay Field, in accordance with Rule 400-2-4-.14(1) of the State Oil and Gas Board of Alabama Administrative Code:

PERMIT NO.

WELL NAME

12604-OS-90-B

S/L 701 #2

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the referenced well because it has future utility and should not be plugged.

**BOARD ACTION:** Granted 2-4-09  
**ORDER NO.** 2009-16

13. **DOCKET NO.** 2-2-09-09

Petition by EXXON MOBIL CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status for the following offshore well located in Baldwin County, Alabama, in the North Central Gulf Field-Mobile Area, in accordance with Rule 400-2-4-.14 (1) of the State Oil and Gas Board of Alabama Administrative Code:

PERMIT NO.

WELL NAME

9985-OS-51-B

State Lease 539 #1 Well

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the referenced well. This well is an integral part of a production platform and has been plugged to the extent possible making permanent plugging and abandonment impractical at this time, and, as such this well has future utility.

**BOARD ACTION:** Granted 2-4-09  
**ORDER NO.** 2009-17

14. **DOCKET NO.** 2-2-09-10

Petition by EXXON MOBIL CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status for the following offshore well located in Mobile County, Alabama, in the South Pelican Island Field, in accordance with Rule 400-2-4-.14 (1) of the State Oil and Gas Board of Alabama Administrative Code:

PERMIT NO.

WELL NAME

11293-OS-68-B

State Lease 536 #4 Well

Petitioner requests the Board to grant a one year extension of the temporarily abandoned status because said well has future utility and should not be plugged.

**BOARD ACTION:** Granted 2-4-09  
**ORDER NO.** 2009-18

15. DOCKET NO. 2-2-09-11

Petition by SPINDLETOP OIL & GAS CO., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status of the Perkins-Young 33-10 #1 Well, Permit No. 4204, located in Lamar County, Alabama, in the North Fairview Oil Field, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code. Said well has previously been granted temporarily abandoned status and said status has expired.

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the referenced well because said well has future utility and should not be plugged.

**BOARD ACTION:** Continued 2-4-09 extending the temporarily abandoned status of the well until the July 30, 2009, regularly scheduled meeting of the Board. Further, Petitioner shall increase the bond for the well to \$10,000 within 30 days.

16. DOCKET NO. 2-2-09-12

Petition by SPINDLETOP OIL & GAS CO., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status of the Robertson 20-12 #1 Well, Permit No. 3227, located in Lamar County, Alabama, in the Fernbank Gas Field, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code. Said well has previously been granted temporarily abandoned status and said status has expired.

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the referenced well because said well has future utility and should not be plugged.

**BOARD ACTION:** Continued 2-4-09 extending the temporarily abandoned status of the well until the July 30, 2009, regularly scheduled meeting of the Board. Further, Petitioner shall increase the bond for the well to \$10,000 within 30 days.

17. DOCKET NO. 2-2-09-13

Petition by SPINDLETOP OIL & GAS CO., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status of the S.H. Gilmer #1 Well, Permit No. 1425, and the S.H. Gilmer #3 Well, Permit No. 1920, located in Lamar County, Alabama, in the South Fairview Carter Oil Unit in the Fairview Oil Field, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code. Said well has previously been granted temporarily abandoned status and said status has expired.

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the referenced well because said well has future utility and should not be plugged.

**BOARD ACTION:** Continued 2-4-09 extending the temporarily abandoned status of each well until the July 30, 2009, regularly scheduled meeting of the Board. Further, Petitioner shall increase the bond for each well to \$10,000 within 30 days.

18. DOCKET NO. 2-2-09-14

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board, pursuant to Rule 400-3-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code, to enter an order extending the temporarily abandoned status for certain wells located in Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field, in the following areas, for a period of one (1) year:

Township 19 South, Range 7 West, Tuscaloosa County  
Sections 20, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35 and 36

Township 19 South, Range 8 West, Tuscaloosa County  
Sections 15, 21, 23, 25, 26, 27, 28, 32, 33, 34, and 36

Township 20 South, Range 6 West, Tuscaloosa County  
Sections 6 and 7

Township 20 South, Range 7 West, Tuscaloosa County  
Sections 1, 3, 4, 7, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 21, 22, 23, 26, 27, 28, 29 and 33

Township 20 South, Range 8 West, Tuscaloosa County  
Sections 1, 2, 3, 4, 5, 10, 12, 13, 14, 15, 16, 23, 24 and 25

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the wells in the aforementioned Sections because said wells have future utility and should not be plugged.

**BOARD ACTION:** Granted 2-4-09  
ORDER NO. 2009-19

19. DOCKET NO. 4-25-06-34

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, Lower 15 Oil Corporation to show cause why the following abandoned wells located in the Gilbertown Field, Choctaw County, Alabama, and described hereinbelow should not be ordered plugged and abandoned in accordance with Rule 400-1-4-.14 of the State Oil and Gas Board of Alabama Administrative Code relating to Plugging and Abandonment of Wells and the well sites and associated tank battery sites restored in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code relating to Restoration of Location. Additionally, the Frank Gibson #1 Well, Permit No. 1071, which is described hereinbelow under Plugged and Abandoned well was plugged and abandoned on August 21, 1997, however the well site has not been restored in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code relating to Restoration of Location. Further, the Board is requesting the operator to show cause why sites, such as well sites, production facility sites, and Class II injection facility sites should not be ordered to be brought into compliance with Rule 400-1-4-.10 of the State Oil and Gas Board of Alabama Administrative Code relating to Site Maintenance.

East Gilbertown Eutaw Unit Wells & Tank Batteries

<u>Permit No.</u> (Tank Battery No.)	<u>Well Name</u> (Tank Battery)	<u>Location</u>
1280	Mattie Clark #1	S1, T10N, R3W
1293	C. F. Stewart Heirs #1	S1, T10N, R3W
(1293 TB)	(C. F. Stewart Heirs #1)	S1, T10N, R3W
1338	Mattie Clark #3	S1, T10N, R3W
10416	Mattie E. Clark #1-6	S1, T10N, R3W
(1343 TB)	(Abston Jones 1-6)	S1, T10N, R3W

Other Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
1431	Joseph W. Hutchinson, Jr. et al #1	S7, T10N, R3W

Plugged and Abandoned well (well site not restored)

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
1071	Frank Gibson #1	S1, T10N, R3W

**BOARD ACTION:** Continued 2-4-09 to the May 7, 2009, regularly scheduled meeting of the Board.