

RESULTS OF MEETING

The State Oil and Gas Board of Alabama held its regular hearing at 10:00 a.m. on Tuesday, March 29, 2011, in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama and Thursday, March 31, 2011 at the Choctaw County Courthouse, 117 South Mulberry Avenue, Butler, Alabama.

1. DOCKET NO. 10-26-10-10

Continued petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., 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 from the Smackover Formation in the proposed Hattie Gibby 7-15 No. 2 Well to be drilled on a 160-acre drilling unit consisting of the South Half of the Southeast Quarter of Section 7 and the North Half of the Northeast Quarter of Section 18, all in Township 6 North, Range 5 East, Clarke County, Alabama, in the Barlow Bend 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.

This petition is filed as a companion to a petition bearing Docket No. 10-26-10-11 requesting approval of an exceptional 160-acre drilling unit for the Hattie Gibby 7-15 No. 2 Well as an exception to Rule 3(a) of the Special Field Rules for the Barlow Bend Field.

BOARD ACTION: Continued 3.31.11 to Special Hearing on April 14, 2011.

2. DOCKET NO. 10-26-10-11

Continued petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving a 160-acre drilling unit for the proposed Hattie Gibby 7-15 No. 2 Well consisting of the South Half of the Southeast Quarter of Section 7 and the North Half of the Northeast Quarter of Section 18, all in Township 6 North, Range 5 East, Clarke County, Alabama, in the Barlow Bend Field, as an exception to Rule 3(a) of the Special Field Rules for said Field, which requires units consisting of governmental quarter sections.

This petition is filed as a companion to a petition bearing Docket No. 10-26-10-10 requesting the forced pooling, without imposition of the risk compensation fee, of all tracts and interests in hydrocarbons produced from the Smackover Formation in the Hattie Gibby 7-15 No. 2 Well.

BOARD ACTION: Continued 3.31.11 to Special Hearing on April 14, 2011.

3. DOCKET NO. 12-7-10-14A

Continued amended petition by VENTURE OIL & GAS, 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 establishing a new gas field in Escambia County, Alabama, to be known as the Jack Springs Field, or such other name as the Board deems proper, to establish well spacing and production allowables, and to adopt Special Field Rules therefor. The proposed field is underlain by the Smackover Gas Pool and the proposed field limits include 480 acres to consist of the Northwest Quarter of Section 4 and the Northeast Quarter of Section 5, Township 2 North, Range 5 East and the South Half of the Southeast Quarter of Section 32 and the South Half of the Southwest Quarter of Section 33, Township 3 North, Range 5 East, Escambia County, Alabama. This petition will be submitted along with a companion petition requesting that the Board reform the 160-acre drilling unit for the Black Stone 4-4 No. 1 Well to a 480-acre production unit to consist of the same 480 acres described above, so that the proposed field limits of the proposed Jack Springs Field are the same as the proposed production unit for the Black Stone 4-4 No.1 Well.

The Smackover Gas Pool in said field is defined as those strata productive of hydrocarbons between the interval of 15,472 feet (MD) and 15,750 feet (MD) as indicated on the Platform Express Array Induction/Lithology Density Compensated Neutron/Gamma Ray/ SP Log for the Black Stone 4-4 No. 1 Well, Permit No. 16158, and all zones in communication therewith and all productive extensions thereof.

This Petition is filed as a companion to a Petition under Docket No. 12-7-10-15 requesting that the 160-acre drilling unit for the Black Stone 4-4 No. 1 Well be reformed to a 480-acre production unit, or any other unit as approved by the Board, and a Petition under Docket No. 12-7-10-16 requesting that all tracts and interests in hydrocarbons produced from the proposed 480-acre production unit, or any other unit as approved by the Board be force pooled by the Board without the imposition of a risk compensation penalty.

BOARD ACTION: Taken under advisement 3.31.11.

4. DOCKET NO. 12-7-10-15A

Continued amended petition by VENTURE OIL & GAS, 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 reforming the 160-acre drilling unit for the Black Stone 4-4 No. 1 Well, Permit No. 16158, to a 480-acre production unit.

Petitioner requests that the 160-acre drilling unit for said Black Stone 4-4 No. 1 Well, Permit No. 16158, consisting of the Northwest Quarter of Section 4, Township 2 North, Range 5 East, Escambia County, Alabama, be reformed to a 480-acre production unit to consist of the Northwest Quarter of Section 4 and the Northeast Quarter of Section 5, Township 2 North, Range 5 East and the South Half of the Southeast Quarter of Section 32 and the South Half of the Southwest Quarter of Section 33, Township 3 North, Range 5 East, Escambia County, Alabama.

This Petition is filed as a companion to a Petition under Docket No. 12-7-10-14 requesting that a new gas field be established in Escambia County, Alabama, to be known as the Jack Springs Field and a Petition under Docket No. 12-7-10-16 requesting that all tracts and interests in hydrocarbons produced from the proposed 480-acre production unit of the subject well, or any other production unit as established by the Board, be force pooled by the Board without the imposition of a risk compensation penalty.

BOARD ACTION: Taken under advisement 3.31.11.

5. DOCKET NO. 12-7-10-16A

Continued amended petition by VENTURE OIL & GAS, 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 force pooling, without the imposition of a risk compensation penalty, all tracts and interest in hydrocarbons produced from the proposed 480-acre production unit for the Black Stone 4-4 No. 1 Well, Permit No. 16158 to consist of the Northwest Quarter of Section 4 and the Northeast Quarter of Section 5, Township 2 North, Range 5 East and the South Half of the Southeast Quarter of Section 32 and the South Half of the Southwest Quarter of Section 33, Township 3 North, Range 5 East, Escambia County, Alabama or any other production unit approved by the Board for the subject well.

This Petition is in accordance of Section 19-17-13, *Code of Alabama, (1975)*, as amended, and Rule 400-7-2-.01 of *The State Oil and Gas Board of Alabama Administrative Code*.

This Petition is filed as a companion to a Petition under Docket No. 12-7-10-14 requesting that a new gas field be established in Escambia County, Alabama, to be known as the Jack Springs Field and a Petition under Docket No. 12-7-10-15 requesting that the 160-acre drilling unit for the Black Stone 4-4 No. 1 Well be reformed to a 480-acre production unit to consist of Northwest Quarter of Section 4 and the Northeast Quarter of Section 5, Township 2 North, Range 5 East and the South Half of the Southeast Quarter of Section 32 and the South Half of the Southwest Quarter of Section 33, Township 3 North, Range 5 East, Escambia County, Alabama.

BOARD ACTION: Taken under advisement 3.31.11.

6. DOCKET NO. 02-08-11-17D

Continued amended Petition by FAIRWAYS EXPLORATION & PRODUCTION, LLC, a Delaware limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil & Gas Board of Alabama to enter an order force pooling with risk compensation, all tracts and interests in hydrocarbons produced in a 160 acre drilling unit for the proposed Morgan 14-8 #1 Well, a well to be drilled to the Smackover formation, as a productive extension of Little Cedar Creek Field, having a unit consisting of all of the Northeast Quarter, Section 14, Township 5 North, Range 13 East, Conecuh County, Alabama. This petition is in accordance with Section 9-17-13, ALABAMA CODE (1975), as amended, and Rules 400-7-1 and 400-7-2 of the *State Oil and Gas Board of Alabama Administrative Code*.

BOARD ACTION: Granted 3.31.11 without risk compensation.

ORDER NO.: 2011-20

7. DOCKET NO. 02-08-11-18A

Continued amended petition by JOSALYN BARNETT, ET AL., requesting the State Oil and Gas Board to enter orders (1) establishing a new gas field in Escambia County, Alabama to be known as the Jack Springs Field, or such other name as the Board deems proper, the field limits for which are described below, and promulgating Special Field Rules for said new gas field, (2) reforming a 160-acre drilling unit for the Black Stone 4-4 #1 Well, Permit No. 16158, consisting of the Northwest Quarter of Section 4, Township 2 North, Range 5 East, to a 480-acre production unit described below, and (3) force pooling all tracts and interests in the 480-acre production unit described below, without imposition of a risk compensation fee, and (4) naming Venture Oil & Gas, Inc., as Operator.

The field limits for the proposed Jack Springs Field, the proposed reformed 480-acre production unit and the force pooling of same, without imposition of a risk compensation fee, should consist of the following described parcels:

Northwest Quarter and West Half of West Half of Northeast of Section 4; East Half of Northeast Quarter and East Half of West Half of Northeast Quarter of Section 5, all in Township 2 North, Range 5 East; Southeast Quarter of Southeast Quarter and East Half of Southwest Quarter of Southeast Quarter of Section 32; South Half of Southwest Quarter and West Half of Southwest Quarter of Southeast Quarter of Section 33, all in Township 3 North, Range 5 East, all in Escambia County, Alabama.

The Board may take such action or enter such order that the Board deems appropriate concerning the Petition, even though the action or order of the Board may not be the precise relief requested by this Petitioner or other Petitioners or parties.

BOARD ACTION: Dismissed without prejudice 3.31.11.

ORDER NO.: 2011-21

8. DOCKET NUMBER: 3-29-11-01

Petition by RENAISSANCE PETROLEUM CO., LLC, a Texas limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an Order (i) establishing a nongovernmental forty-acre wildcat drilling unit for the drilling of the proposed RPC Craft-McCall 9-16 No. 1 Well in Escambia County, Alabama; and (ii) approving the nongovernmental forty-acre wildcat drilling unit as an exception to Rule 400-1-2-.02(2)(a) of the State Oil and Gas Board Administrative Code relating to spacing of wells for the drilling of such well.

Petitioner proposes that the nongovernmental forty-acre wildcat drilling unit for the well consist of the East Half of the Southeast Quarter of the Southeast Quarter of Section 9 and the West Half of the Southwest Quarter of the Southwest Quarter of Section 10, all in Township 3 North, Range 9 East, Escambia County, Alabama.

Petitioner further proposes to directionally drill the wildcat well to a proposed depth of 13,800 feet MD, with a proposed surface location of 435 feet FSL and 486 feet FWL of the unit, a proposed Smackover formation point of penetration location of 711 feet FSL of and 494 feet FWL of the unit, and a proposed bottom hole location of 845 feet FSL and 497 feet FWL of the unit.

Petitioner contends that the proposed nongovernmental forty-acre wildcat drilling unit for the well is underlain by a separate and distinct Smackover oil pool from the productive Smackover oil pool underlying the West Appleton Field in Escambia County, Alabama, and is not a productive extension of such field. Accordingly, Petitioner requests that the Board approve the proposed wildcat drilling unit as an exception to Rule 400-1-2-.02(2)(a) of the State Oil and Gas Board Administrative Code relating to spacing of wells for the drilling of such well.

The Petition is filed pursuant to Section 9-17-1 *et seq.* of the Code of Alabama (1975).

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-22

9. DOCKET NO. 3-29-11-02

Petition by MIDROC OPERATING COMPANY, 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 establishing a new oil field in Conecuh County, Alabama, to be named the Castleberry Field, or such other name as the Board deems proper, and to adopt Special Field Rules therefor. The proposed field, as underlain by the Smackover Oil Pool, consists of the Northeast Quarter of Section 35, Township 4 North, Range 10 East, Conecuh County, Alabama.

The Smackover Oil Pool should be defined as that interval of the Smackover Formation productive of hydrocarbons between 12,269 feet measured depth and 12,368 feet measured depth, as indicated on the High Definition Induction Log of the McMillan 35-8 Well, Permit No. 16046, located in the Northeast Quarter of Section 35, Township 4 North, Range 10 East, Conecuh County, Alabama.

Petitioner is requesting well spacing of 160 acres, and is also requesting the establishment of production allowables for said field.

Petitioner is also requesting that the 160-acre drilling unit for the McMillan 35-8 Well, Permit No. 16046, consisting of the Northeast Quarter of Section 35, Township 4 North, Range 10 East, Conecuh County, Alabama, be approved as the permanent production unit for said well.

This petition is filed pursuant to Rule 400-1-1-.07 of the *State Oil and Gas Board of Alabama Administrative Code* and Section 9-17-1 *et seq.* of the *Code of Alabama* (1975), as amended.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-23

10. DOCKET NO. 3-29-11-03

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*:

<u>PERMIT NO.</u>	<u>WELL NAME</u>
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 3.31.11.

ORDER NO.: 2011-24

11. DOCKET NO. 3-29-11-04

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*:

<u>PERMIT NO.</u>	<u>WELL NAME</u>
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 3.31.11.

ORDER NO.: 2011-25

12. DOCKET NO. 3-29-11-05

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 S/L 537 Block 112 #4 and State Lease 536 #3 Wells because said wells are capable of producing and should not be plugged. Petitioner requests that the Board extend the shut-in status of the State Lease 537 #2 Well until the next regularly scheduled meeting of the Board following June 30, 2011, as plugging procedures for said well should be completed by that time.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-26

13. DOCKET NO. 3-29-11-06

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
10557-OS-59-B1	Alabama State Lease 350 (Tract 95) Well #5 S/T #1	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 for the State Lease 349 #2 Well because said well is capable of producing and should not be plugged.

Petitioner requests that the Board grant an extension of the shut-in status of the Alabama State Lease 350 (Tract 95) Well #5 S/T #1 Well until the next regularly scheduled meeting of the board following June 30, 2011, as Petitioner is currently in the process of plugging said well and plugging operations should be completed by that time.

Petitioner further requests that the Board grant a one year extension of the temporarily abandoned status of the State Lease 347 #1 and State Lease 347 #2 Wells because the State Lease 347 #1 Well is an integral part of the 76 Aux platform, making it impractical to complete the permanent plugging and abandonment until the platform is removed, and the State Lease 347 #2 Well has future utility and should not be

plugged.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-27

14. DOCKET NO. 3-29-11-07

Petition by ESCAMBIA OPERATING CO., 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 review the amount of surety required for wells and facilities operated by Petitioner in Choctaw and Escambia Counties, Alabama as ordered by the Board in Order No. 2010-12 issued on February 11, 2010. The petition is filed pursuant to Section 9-17-1, *et seq.* of the *Code of Alabama* (1975), as amended.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-28

15. DOCKET NO. 3-29-11-08

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* and Section 9-17-1, *et seq.* of the *Code of Alabama* (1975), as amended, 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 and 36

Township 19 South, Range 8 West, Tuscaloosa County
Sections 15, 21, 23, 25, 26, 27, 28, 33, 34, 35 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, 27, 28 and 29

Township 20 South, Range 8 West, Tuscaloosa County
Sections 4, 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 3.31.11.

ORDER NO.: 2011-29

16. DOCKET NO. 3-29-11-09

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order amending Rule 4C of the Special Field Rules for the Brookwood Coal Degasification Field, Tuscaloosa and Jefferson Counties, Alabama, to allow gob wells or gob-production wells in areas of diverse mineral ownership to be located closer than 300 feet from the exterior boundary of the Field when the diverse mineral owners waive, in writing, such location. Rule 4C currently provides that only in areas of common mineral ownership where correlative rights will be protected as a result of said common mineral ownership, gob wells or gob-production wells may be exempted from the spacing requirements. The petition is filed pursuant to Section 9-17-1, *et seq.* of the *Code of Alabama* (1975), as amended.

BOARD ACTION: Dismissed without prejudice 3.31.11.

ORDER NO.: 2011-30

17. Docket No. 3-29-11-10

Petition by SHELL OFFSHORE INC. ("Shell"), a foreign corporation authorized to do and doing business in the State of Alabama. Shell is requesting the State Oil and Gas Board to grant an extension of the temporarily abandoned status to State Lease 531 #3 Well, Permit No. 9477-0S-41-B; located in Tract 113 in the Fairway Field, Mobile County, Alabama, for a one year period pursuant to Alabama Oil & Gas Rule 400-2-4-.14(1). Petitioner avers that this well has future utility. The jurisdiction and authority of the Oil and Gas Board is provided in Section 9-17-1, *et seq.*, *Code of Alabama* (1975) as amended.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-31

18. DOCKET NO. 3-29-11-11

Petition by Venture Oil & Gas, 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 establishing a new oil field in Escambia County, Alabama, to be named the McCullough Field, or such other name as the Board deems proper, and to adopt Special Field Rules therefor. The proposed field, as underlain by the Smackover Oil Pool, consists of the Northeast Quarter of Section 1, Township 2 North, Range 5 East, Escambia County, Alabama.

The Smackover Oil Pool in said field is defined as those strata productive of hydrocarbons between the interval of 15,146 feet (MD) and 15,303 feet (MD) as indicated on the Array Induction Log for the Mack 1-1 No. 1 Well, Permit No. 16200-B, located in the Northeast Quarter of Section 1, Township 2 North, Range 5 East, Escambia County, Alabama and all zones in communication therewith and all productive extensions thereof.

Petitioner requests well spacing of 160 acres and also requests the establishment of allowables for said field. Additionally, Petitioner requests that the 160-acre drilling unit for the Mack 1-1 No. 1 Well, Permit No. 16200-B, consisting of the Northeast Quarter of Section 1, Township 2 North, Range 5 East, be approved as the permanent production unit for that Well.

BOARD ACTION: Continued 3.31.11.

19. DOCKET NO. 3-29-11-12

Petition by FORT APACHE ENERGY, INC., a Texas corporation qualified to do and doing business in Alabama, requesting that the State Oil and Gas Board of Alabama enter an order (i) establishing a 40-acre nongovernmental wildcat drilling unit for the proposed Broughton 9-1 No. 1 well comprised of the East Half of the Northeast Quarter of the Northeast Quarter of Section 9 and the West Half of the Northwest Quarter of the Northwest Quarter of Section 10, Township 5 North, Range 5 East, Monroe County, Alabama, and (ii) approving the nongovernmental forty-acre wildcat drilling unit as an exception to Rule 400-1-2-.02(2)(a) of the State Oil and Gas Board Administrative Code relating to spacing of wells for the drilling of such well. In the alternative, Petitioner requests that the Board issue an order (i) establishing a nongovernmental 160-acre wildcat drilling unit for said well comprised of the Southwest Quarter of the Southwest Quarter of Section 3, the Southeast Quarter of the Southeast Quarter of Section 4, the Northeast Quarter of the Northeast Quarter of Section 9, and the Northwest Quarter of the Northwest Quarter of Section 10, Township 5 North, Range 5 East, Monroe County, Alabama, and (ii) approving the nongovernmental 160-acre wildcat drilling unit as an exception to Rule 400-1-2-.02(2)(b) of the State Oil and Gas Board Administrative Code relating to spacing of wells for the drilling of such well. The proposed location for said well is approximately 655 east of the west line and approximately 331 south of the north line of the proposed 40-acre unit.

Petitioner contends that the proposed nongovernmental forty-acre wildcat drilling unit (and the alternative proposed 160-acre wildcat unit) for the well is underlain by a separate and distinct Smackover oil pool from the Smackover oil pool underlying the Lovetts Creek Field (the field limits of which include the Southwest Quarter of the Southwest Quarter of Section 3), the Special Field Rules for which provide that units in that field should be on governmental quarter sections.

This petition is filed pursuant to Ala. Code Sections 9-17-1, et seq. (and, in particular, Section 9-17-12, as amended) and Rules 400-1, et seq. (and, in particular, Rule 400-1-2) of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-32

20. DOCKET NO. 3-29-11-13

Petition by FAIRWAYS EXPLORATION & PRODUCTION, LLC, a Delaware limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil & Gas Board of Alabama to enter an order amending Rule 1 of the Special Field Rules for Little Cedar Creek Field to add the Northwest Quarter of Section 13, Township 5 North, Range 13 East, Conecuh County, Alabama, to the field limits of said field.

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-33

21. DOCKET NO. 3-29-11-14

Petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from formations of Mississippian and Pennsylvanian Age from the re-entry of the Mollie Marx Estate 8-15 #1 Well Permit No. 11242, located on a 320-acre unit drilling unit consisting of the East Half of Section 8, Township 17 South, Range 15 West, Lamar County, Alabama, as a productive extension of the Fernbank 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: Continued 3.31.11.

22. DOCKET NO. 08-26-08-25A

Continued amended MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, Block T Operating, LLC,

to show cause why the following abandoned wells located in the Gilbertown Field in 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.

Gilbertown Field Wells (non-unitized) grouped by wells that produce to a common Tank Battery

<u>Permit No.</u> (Tank Battery No.)	<u>Well Name</u> (Tank Battery)	<u>Location</u>
190	A. M. Mosley #1	S3, T10N, R3W
1052	Leo Stewart	S2, T10N, R3W
3102	Stewart #3-9	S3, T10N, R3W
3469 (3469 TB)	Smith Trice #34-10 (Smith Trice #34-10)	S34, T11N, R4W S34, T11N, R4W

Gilbertown Field Wells in the Gilbertown (Eutaw Sand) Unit grouped by wells that produce to a common Tank Battery and a former water injection well

129	F. M. Mosley #1	S3, T10N, R3W
1367	Rex Alman #4	S4, T10N, R3W
113	Johnson Unit #1	S4, T10N, R3W
131-A	E. A. Rentz #2	S4, T10N, R3W
136 (former injection well)	F. M. Johnson 4-7 #2	S4, T10N, R3W

BOARD ACTION: Continued 3.31.11 to the September 29, 2011 hearing.

23. DOCKET NO. 7-20-10-07

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, S. Lavon Evans, Jr. Operating Co., Inc., to show cause why the following wells located in Tuscaloosa, Lamar, Pickens, and Jefferson Counties, 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.

The Board may consider, as a part of this Motion, that the proceeds from the surety bond be utilized to plug and abandon wells and restore well sites.

Failure of the operator to comply with the Board's rules, regulations, and orders may result in the Board issuing fines or taking other sanctions against Operator, S. Lavon Evans, Jr. Operating Co., Inc.

County Line Field

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>County</u>
11797	Holliman 36-10 #1	S36, T17S, R14W	Lamar
11865	Williamson 1-1 #1	S1, T18S, R14W	Pickens

Asbury Church Field

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>County</u>
12974	Weyerhaeuser 33-15 #1	S33, T16S, R16W	Lamar
12975	Weyerhaeuser 4-1 #1	S4, T17S, R16W	Lamar
13260	Weyerhaeuser 3-7 #1	S3, T17S, R16W	Lamar

SE Watson Creek Field

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>County</u>
12548	Collins 12-11 #1	S12, T15S, R15W	Lamar
12919	Gearn 14-1 #1	S14, T15S, R15W	Lamar

Wiley Dome Field

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>County</u>
9986-A	Holman 34-10 #1	S34, T17S, R9W	Tuscaloosa
13041	Holman 35-6 #1	S35, T17S, R9W	Tuscaloosa
13042	Shepherd 35-16 #1	S35, T17S, R9W	Tuscaloosa
13310-BH	Holman 34-10 #2	S34, T17S, R9W	Tuscaloosa
13311	Alawest 34-13 #1	S34, T17S, R9W	Tuscaloosa
13905	Earnest 26-14 #1	S26, T17S, R9W	Tuscaloosa

Wildcat Wells

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>County</u>
13133	Earnest 26-15 #1	S26, T17S, R9W	Tuscaloosa
13307	Christian 3-8 #1	S3, T18S, R9W	Tuscaloosa
13384	Champion International 35-13 #1	S35, T17S, R9W	Tuscaloosa
13387	Alawest 2-3 #1	S2, T18S, R9W	Tuscaloosa
13388	Bane 36-14 #1	S36, T17S, R9W	Tuscaloosa
13680	Bolton 1-4 #1A	S1, T18S, R9W	Tuscaloosa
13710	Champion International 3-10 #1	S3, T18S, R9W	Tuscaloosa
13711	Alawest 1-12 #2	S1, T18S, R9W	Tuscaloosa
13640	Gartman 2-4 #1	S2, T17S, R16W	Lamar
13389	U.S. Steel Corporation 21-13 #1	S21, T19S, R5W	Jefferson

BOARD ACTION: Continue 3.31.11 until the next regularly scheduled meeting.

ORDER NO.: 2011-34

24. DOCKET NO. 10-26-10-14

MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to amend Rule 400-1-9-.03(3), Rule 400-2-8-.05(3) and Rule 400-3-8-.02(3) of the State Oil and Gas Board of Alabama Administrative Code relating to the transportation of wastes associated with oil and gas operations. The proposed rule amendments would reduce the operator's filing requirements with the Board for the waste manifest, Form OGB-26, and would increase the period of time that the operator, transporter, and disposer must maintain file copies of the completed manifest from three to five years. The State Oil and Gas Board of Alabama was established pursuant to Alabama Oil and Gas Conservation Laws as set forth in the Section 9-17-1 et seq. of the Code of Alabama (1975).

BOARD ACTION: Granted 3.31.11.

ORDER NO.: 2011-35

25. DOCKET NO. 2-8-11-19

MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to amend Rule 400-2-6-.10 of the State Oil and Gas Board of Alabama Administrative Code relating to production facilities, processing facilities and offshore plants. The proposed rule amendment would provide that onshore facilities processing hydrocarbons produced from submerged offshore lands are subject to this rule. The State Oil and Gas Board of Alabama was established pursuant to Alabama Oil and Gas Conservation Laws as set forth in the Section 9-17-1 et seq. of the Code of Alabama (1975).

BOARD ACTION: Continued 3.31.11.