

## RESULTS OF MEETING

The State Oil and Gas Board of Alabama held its regular hearing at 10:00 a.m. on Tuesday, March 27, 2012 in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama.

### 1. DOCKET NO. 12-13-11-02

Petition by CHOICE EXPLORATION, 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 approving an exceptional 160-acre drilling unit for the proposed Matthews 19-1 No. 1 Well consisting of the East Half of the Northeast Quarter of Section 19, Township 3 North, Range 8 East and the West Half of the Northwest Quarter of Section 20, Township 3 North, Range 8 East, Escambia County, Alabama to be drilled as a wildcat well. The proposed drilling unit is an exception to Rule 400-1-2-.02(2)(b) of the State Oil and Gas Board of Alabama Administrative Code, which requires that wells be located on units consisting of a governmental quarter section containing approximately 160 acres.

**BOARD ACTION:** Dismissed without prejudice 3.27.2012

**ORDER NO:** 2012-09

### 2. DOCKET NO. 2-07-12-03

Petition by South Carlton Operating Company, 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 extending the temporarily abandoned status and the shut-in status of the following wells located in Clarke and Baldwin Counties, Alabama, in the South Carlton Field-Wide Lower Tuscaloosa Unit, for one year each in accordance with Rules 400-1-4-.17(1) and (2) of the State Oil and Gas Board of Alabama Administrative Code:

<u>Well Name</u>	<u>Permit Number</u>	<u>Requested Status</u>
Wall et al 3-6	2180	Shut In
Williams 10-12 #2	4611	Shut In
Ed L. Robinson et al #1	272	Temporarily Abandoned
C. O. Oswell 15-1 #7	4632	Temporarily Abandoned
M. W. Davies #5	1491	Shut In
B. W. Barbour 16-10	2012	Shut In
J. H. Wall Estate et al "C" #2-H	16547-BH	Temporarily Abandoned
Wall 11-4	3331	Shut In
Wall et al 11-3	3332	Shut In
Wall et al 2-11	2288-B	Temporarily Abandoned
J. H. Wall Estate et al "C" #1-H	285-BH-1	Temporarily Abandoned
Wall et al 3-3A	2287-B	Temporarily Abandoned
Wall et al Unit 3-3	2286-B	Shut In
J. H. Wall Estate Unit 3-2	2017	Shut In
Wall et al 3-10	286-A	Temporarily Abandoned
J. H. Wall Estate "E" #1	975	Shut In
M. W. Davies #4	1490	Shut In
Wall et al 3-11	2179	Shut In
Wall et al 3-13	2842	Temporarily Abandoned

Petitioner requests that the Board grant the above extensions because wells proposed for shut-in status are capable of producing hydrocarbons and wells proposed for temporarily abandoned status are capable of future utility.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-10

### 3. DOCKET NO. 3-27-12-01

Petition by SKLAR EXPLORATION COMPANY, LLC, a Louisiana 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) amending Rule 1 of the Special Field Rules for the Brooklyn Field to add the Northeast Quarter of Section 30, Township 4 North, Range 13 East, Conecuh County, Alabama, to the field limits of said field, and (ii) establishing said Northeast Quarter as the final production unit for the Ralls 30-8 #1 well, permit number 16606, which said unit contains approximately 160 acres and is the same as the drilling unit for said well. This petition is filed pursuant to Ala. Code Sections 9-17-1, *et seq.* and Rules 400-1, *et seq.* of the *State Oil and Gas Board of Alabama Administrative Code*.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-11

4. DOCKET NO. 3-27-12-02

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 3.27.2012

**ORDER NO.:** 2012-12

5. DOCKET NO. 3-27-12-03

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 State Lease 539 #1 Well, Permit No. 9985-OS-51-B, and extending the shut-in status for the State Lease 538, Tract 115, Well No. 3, Permit No. 15847-OS-96, both located in Baldwin County, Alabama, in the North Central Gulf Field-Mobile Area, in accordance with Rules 400-2-4-.14(1) and (2) of the *State Oil and Gas Board of Alabama Administrative Code*.

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status for the State Lease 539 #1 Well because said 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.

Petitioner requests that the Board grant a one year extension of the shut-in status for the State Lease 538, Tract 115, Well No. 3 because said well is capable of producing and should not be plugged.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-13

6. DOCKET NO. 3-27-12-04

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 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	S/L 537 Tract 112 #4
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 Tract 112 #4 and State Lease 536 #3 Wells because said wells are capable of producing and should not be plugged.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-14

7. DOCKET NO. 3-27-12-05

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 as hereinafter designated for the following offshore wells located in Baldwin and Mobile Counties, Alabama, in the Lower Mobile Bay-Mary Ann Field, in accordance with Rules 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 for the State Lease 349 #2 Well because said well is capable of producing and should not be plugged.

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 3.27.2012

**ORDER NO.:** 2012-15

8. DOCKET NO. 3-27-12-06

Petition by PRUET PRODUCTION 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 establishing a new oil field in Baldwin County, Alabama, to be named the Little Turkey Creek 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 South Half of the Southwest Quarter of Section 22 and the North Half of the Northwest Quarter of Section 27, all in Township 3 North, Range 4 East, Baldwin County, Alabama.

The Smackover Oil Pool should be defined as that interval of the Smackover Formation productive of hydrocarbons between 15,532 feet and 15,800 feet, as indicated on the High Definition Induction Log of the Matthews Trust 27-4 #1 Well, Permit No. 16549, and all zones in communication therewith and all productive extensions thereof.

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 Matthews Trust 27-4 #1 Well, Permit No. 16549, consisting of the South Half of the Southwest Quarter of Section 22 and the North Half of the Northwest Quarter of Section 27, all in Township 3 North, Range 4 East, Baldwin 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 3.27.2012

**ORDER NO.:** 2012-16

9. DOCKET NO. 3-27-12-07

Petition by CENTURY EXPLORATION NEW ORLEANS, LLC., 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, with the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced from the Norphlet formation from a well to be drilled on a 40-acre wildcat drilling unit consisting of the Northeast Quarter of the Southwest Quarter of Section 31, Township 6 North, Range 7 East, Monroe County, Alabama. Although the proposed drilling unit is adjacent to the North Frisco City Field and Jones Mill Field, said proposed well will be drilled to a different formation than defined by the Special Field Rules for said fields and, therefore, but will not be included in either 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 3.27.2012

**ORDER NO.:** 2012-17

10. DOCKET NO. 3-27-12-08

Petition by ROUNDTREE & ASSOCIATES, 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 approving an exceptional location for the proposed Donald Covington 31-4 No. 1 Well to be drilled at a location 267 feet from the North line and 428 feet from the West line of a proposed 40-acre wildcat drilling unit to consist of the Northwest Quarter of the Northwest Quarter of Section 31, Township 12 North, Range 3 West, Choctaw County, Alabama. Said location is an exception to Rule 400-1-2-.02 (2)(a) of the *State Oil and Gas Board of Alabama Administrative Code* which requires that such a well be located 330 feet from every exterior boundary of the drilling unit. Section 9-17-12(c) of the *Code of Alabama* (1975) authorizes the granting of exceptional locations for the drilling of wells in Alabama.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-18

11. DOCKET NO. 3-27-12-09

Petition by SKLAR EXPLORATION COMPANY, LLC requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling, with a risk compensation fee, all tracts and interests in the Northeast Quarter of Section 34, Township 4 North, Range 12 East, Conecuh County, Alabama, as a 160-acre wildcat unit for the purpose of drilling a well to test formations down to and including the Smackover and Norphlet formations, (b) requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, and (c) appointing Petitioner as the operator of said unit. This petition is filed pursuant to *Ala. Code* §§ 9-17-1, *et seq.* (and, in particular, § 9-17-13, as amended) and Rules 400-1, *et seq.* (and, in particular, Rule 400-7-1 *et seq.*) of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-19

12. DOCKET NO. 3-27-12-10

Petition by SKLAR EXPLORATION COMPANY, LLC requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling, with a risk compensation fee, all tracts and interests in the Southeast Quarter of Section 34, Township 4 North, Range 12 East, Conecuh County, Alabama, as a 160-acre wildcat unit for the purpose of drilling a well to test formations down to and including the Smackover and Norphlet formations, (b) requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, and (c) appointing Petitioner as the operator of said unit. This petition is filed pursuant to *Ala. Code* §§ 9-17-1, *et seq.* (and, in particular, § 9-17-13, as amended) and Rules 400-1, *et seq.* (and, in particular, Rule 400-7-1 *et seq.*) of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Continued 3.27.2012

13. DOCKET NO. 3-27-12-11

Petition by CHOICE EXPLORATION, 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 approving an exceptional non-governmental 160-acre drilling unit for the proposed Rayonier Timber 27-4 No. 1 Well consisting of the Southeast Quarter of the Southeast Quarter of Section 21, the Southwest Quarter of the Southwest Quarter of Section 22, the Northwest Quarter of the Northwest Quarter of Section 27 and the Northeast Quarter of the Northeast Quarter of Section 28, Township 3 North, Range 7 East, Escambia County, Alabama to be drilled as a wildcat well. The proposed drilling unit is an exception to Rule 400-1-2-.02(2)(b) of the *State Oil and Gas Board of Alabama Administrative Code* which requires that wells be located on units consisting of a governmental quarter section containing approximately 160 acres.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-20

14. DOCKET NO. 3-27-12-12

Petition by CRAFT OPERATING COMPANY, LLC, 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 interests in hydrocarbons produced from a wildcat well to be drilled on a proposed 160-acre unit consisting of the Northwest Quarter of Section 34, Township 6 North, Range 14 East, Covington County, Alabama.

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 3.27.2012

15. DOCKET NO. 3-27-12-13

Petition by CRAFT OPERATING COMPANY, LLC, 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 interests in hydrocarbons produced from a wildcat well to be drilled on a proposed 160-acre unit consisting of the Northeast Quarter of Section 34, Township 6 North, Range 14 East, Covington County, Alabama.

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 3.27.2012

16. DOCKET NO. 3-27-12-14

Petition by FAIRWAYS EXPLORATION & PRODUCTION, 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 to enter an order approving an exceptional non-governmental 160-acre drilling unit for the proposed Indigo 10-15 #1 Well, to consist of the Southeast Quarter of the Southwest Quarter and the Southwest Quarter of the Southeast Quarter of Section 10 and the Northeast Quarter of the Northwest Quarter and the Northwest Quarter of the Northeast Quarter of Section 15, all in Township 7 North, Range 6 East, all in Monroe County, Alabama, to be drilled as a wildcat well. The proposed drilling unit is an exception to Rule 400-1-2-.02(2)(b) of the State Oil and Gas Board of Alabama Administrative Code, which requires that wells be located on units consisting of a governmental quarter section containing approximately 160 acres.

**BOARD ACTION:** Granted 3.27.2012

**ORDER NO.:** 2012-21

17. DOCKET NO. 3-27-12-15A

Amended Petition by PRUET PRODUCTION 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 force pooling, without imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced in the Findley 26-12 # 1 Well to be drilled on a 160-acre wildcat drilling unit consisting of the Southwest Quarter of Section 26, Township 4 North, Range 12 East, Conecuh County, Alabama.

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 3.27.2012

18. DOCKET NO. 3-27-12-16

Petition by ANKOR E&P HOLDINGS CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to (i) establish a new oil field in Escambia County, Alabama, to be known as the "West Burnt Corn Creek Field," or such other name as the Board may deem appropriate; (ii) adopt special field rules for the new oil field, which establish spacing requirements and production allowables for wells drilled in the field; and (iii) establish field limits for the new oil field.

Petitioner requests the proposed West Burnt Corn Creek Field be approved and established to consist of the East Half of the Northeast Quarter of Section 8 and the West Half of the Northwest Quarter of Section 9, Township 3 North, Range 9 East, Escambia County, Alabama, as underlain by the Smackover oil pool, as defined below, including all strata that can be correlated therewith, all zones in communication therewith and all productive extensions thereof.

Petitioner further requests that the Smackover oil pool in the proposed West Burnt Corn Creek Field be defined as those strata of the Smackover formation productive of hydrocarbons in the interval between 13,076 feet and 13,162 feet in the RPC Craft-Wefel 9-4 No. 1 Well, Permit No. 16414-B, with a surface location of 999 feet FNL and 765 feet FWL of Section 9, Township 3 North, Range 9 East, Escambia County, Alabama, as defined by the Dual Induction Log for the Well, including all strata that can be correlated therewith, all zones in communication therewith and all productive extensions thereof.

Petitioner further requests spacing units of 160 contiguous surface acres and production allowables of 400 barrels of oil per day for wells drilled in the field.

The Petition is filed pursuant to Section 9-17-1 *et seq.*, *Code of Alabama* 1975, and other oil and gas conservation laws of the State of Alabama.

This Petition is filed as a companion to 3-27-12-17 a Petition requesting the Board to reform the 40-acre wildcat drilling unit for the RPC Craft-Wefel 9-4 No. 1 Well, Permit No. 16414-B, to a 160-acre production unit.

**BOARD ACTION:** Continued 3.27.2012

19. DOCKET NO. 3-27-12-17

Petition by ANKOR E&P HOLDINGS CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to reform the 40-acre wildcat drilling unit for the RPC Craft-Wefel 9-4 No. 1 Well, Permit No. 16414-B (the "Well"), to a 160-acre production unit.

Petitioner proposes to reform the 40-acre wildcat drilling unit for the Well consisting of the South Half of the Northwest Quarter of the Northwest Quarter and the North Half of the Southwest Quarter of the Northwest Quarter of Section 9, Township 3 North, Range 9 East, Escambia County, Alabama, to a 160-acre production unit consisting of the East Half of the Northeast Quarter of Section 8 and the West Half of the Northwest Quarter of Section 9, Township 3 North, Range 9 East, Escambia County, Alabama.

Petitioner requests that the Board approve and establish the proposed 160-acre production unit in accordance with the provisions of Section 9-17-12(b), *Code of Alabama 1975*, relating to the establishment of drilling and production units, and other oil and gas conservation laws of the State of Alabama.

This Petition is filed as a companion to 3-27-12-16 a Petition requesting the Board to establish a new oil field in Escambia County, Alabama, to be known as the "West Burnt Corn Creek Field," which will encompass the proposed 160-acre production unit for the Well.

**BOARD ACTION:** Continued 3.27.2012

20. DOCKET NO. 3-27-12-18

Petition by ANKOR E&P HOLDINGS CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to (i) establish a new oil field in Escambia County, Alabama, to be known as the "South Wallace Field," or such other name as the Board may deem appropriate; (ii) adopt special field rules for the new oil field, which establish spacing requirements and production allowables for wells drilled in the field; and (iii) establish field limits for the new oil field.

Petitioner requests the proposed South Wallace Field be approved and established to consist of the Southeast Quarter of the Southeast Quarter, the East Half of the Southwest Quarter of the Southeast Quarter, the South Half of the Northeast Quarter of the Southeast Quarter and the Southeast Quarter of the Northwest Quarter of the Southeast Quarter of Section 13, and the Northeast Quarter of the Northeast Quarter and the East Half of the Northwest Quarter of the Northeast Quarter of Section 24, Township 3 North, Range 8 East; the Southwest Quarter of Section 18, and the Northwest Quarter of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, all in Escambia County, Alabama, as underlain by the Smackover oil pool, as defined below, including all strata that can be correlated therewith, all zones in communication therewith and all productive extensions thereof.

Petitioner further requests that the Smackover oil pool in the proposed South Wallace Field be defined as those strata of the Smackover formation productive of hydrocarbons in the interval between 13,562 feet and 13,641 feet in the RPC Craft-Blackstone 13-16 No. 1 Well, Permit No. 16413-B, with a surface location of 714 feet FSL and 200 feet FWL of Section 18, Township 3 North, Range 9 East, Escambia County, Alabama, as defined by the Dual Induction Log for the Well, including all strata that can be correlated therewith, all zones in communication therewith and all productive extensions thereof.

Petitioner further requests spacing units of 160 contiguous surface acres and production allowables of 400 barrels of oil per day for wells drilled in the field.

The Oil and Gas Board may add to the field limits for the proposed field additional lands in the Northeast Quarter of Southeast Quarter, Northwest Quarter of Southeast Quarter, and Southwest of the Southeast Quarter, Section 13, and the Northwest Quarter of Northeast Quarter, Section 24, Township 3 North, Range 8 East.

The Petition is filed pursuant to Section 9-17-1 *et seq.*, *Code of Alabama 1975*, and other oil and gas conservation laws of the State of Alabama.

This Petition is filed as a companion to two others Petitions: The first Petition requests that the Board reform the 40-acre wildcat drilling unit for the RPC Craft-Blackstone 13-16 No. 1 Well, Permit No. 16413-B, to a 160-acre production unit; and the second Petition requests that the Board approve an exceptional bottom hole location for the Well in the proposed 160-acre production unit.

**BOARD ACTION:** Continued 3.27.2012

21. DOCKET NO. 3-27-12-19

Petition by ANKOR E&P HOLDINGS CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to reform the 40-acre wildcat drilling unit for the RPC Craft-Blackstone 13-16 No. 1 Well, Permit No. 16413-B (the "Well"), to a 160-acre production unit.

Petitioner proposes to reform the 40-acre wildcat drilling unit for the Well consisting of the East Half of the Southeast Quarter of the Southeast Quarter of Section 13, Township 3 North, Range 8 East, and the West Half of the Southwest Quarter of the Southwest Quarter of Section 18, Township 3 North, Range 9 East, all in Escambia County, Alabama, to a 160-acre production unit consisting of the Southeast Quarter of the Southeast Quarter of Section 13 and the Northeast Quarter of the Northeast Quarter of Section 24, Township 3 North, Range 8 East, and the Southwest Quarter of the Southwest Quarter of Section 18 and the Northwest Quarter of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, all in Escambia County, Alabama.

Petitioner requests that the Board approve and establish the proposed 160-acre production unit in accordance with the provisions of Sections 9-17-12(b), *Code of Alabama 1975*, relating to the establishment of drilling and production units, and other oil and gas conservation laws of the State of Alabama.

This Petition is filed as a companion to two others Petitions: The first Petition requests that the Board approve an exceptional bottom hole location for the Well in the proposed 160-acre production unit; and the second Petition requests that the Board establish a new oil field in Escambia County, Alabama, to be known as the "South Wallace Field," which will encompass the proposed 160-acre production unit for the Well.

**BOARD ACTION:** Continued 3.27.2012

22. DOCKET NO. 3-27-12-20

Petition by ANKOR E&P HOLDINGS CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to approve an exceptional bottom hole location for the RPC Craft-Blackstone 13-16 No. 1 Well, Permit No. 16413-B (the "Well"), in a proposed 160-acre production unit.

Petitioner is the current operator of the Well, located on a 40-acre wildcat drilling unit consisting of the East Half of the Southeast Quarter of the Southeast Quarter of Section 13, Township 3 North, Range 8 East, and the West Half of the Southwest Quarter of the Southwest Quarter of Section 18, Township 3 North, Range 9 East, all in Escambia County, Alabama. Petitioner proposes to reform the 40-acre wildcat drilling unit for the Well to a 160-acre production unit consisting of the Southeast Quarter of the Southeast Quarter of Section 13 and the Northeast Quarter of the Northeast Quarter of Section 24, Township 3 North, Range 8 East, and the Southwest Quarter of the Southwest Quarter of Section 18 and the Northwest Quarter of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, all in Escambia County, Alabama. In reforming the 40-acre drilling unit to a 160-acre production unit, the bottom hole for the Well will be located approximately 507 feet from the North line of the proposed production unit. The proposed production unit is located in the proposed South Wallace Field. Rule 400-1-2-.02(2)(b) of the *State Oil and Gas Board of Alabama Administrative Code* and Rule 3 of the proposed Special Field Rules for the South Wallace Field require that all wells be located at least 660 feet from every exterior boundary of the production unit.

Petitioner requests that the Board approve the exceptional bottom hole location for the Well in accordance with the provisions of Sections 9-17-12(c), *Code of Alabama 1975*, relating to exceptional locations, and other oil and gas conservation laws of the State of Alabama.

This Petition is filed as a companion to two others Petitions: The first Petition requests that the Board reform the 40-acre wildcat drilling unit for the RPC Craft-Blackstone 13-16 No. 1 Well, Permit No. 16413-B, to a 160-acre production unit; and the second Petition requests that the Board establish a new oil field in Escambia County, Alabama, to be known as the "South Wallace Field," which will encompass the proposed 160-acre production unit for the Well.

**BOARD ACTION:** Continued 3.27.2012

23. DOCKET NO. 3-27-12-21

Petition by SPOONER PETROLEUM COMPANY, 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 interests in hydrocarbons produced from a 160-acre drilling unit consisting of the Northeast Quarter of Section 19, Township 11 North, Range 2 East, Choctaw County, Alabama. Said well will be drilled as a productive extension of the Thornton Springs Field, Choctaw County, Alabama.

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 3.27.2012

**ORDER NO.:** 2012-22

24. DOCKET NO. 3-27-12-22

Petition by GEOMET, 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 and the Class II UIC permit for the Cullman Property Company

21-04-08 Well, Permit No. 15854-SWD-09-02, a saltwater disposal well in Blount County, Alabama, in accordance with Rules 400-1-4-.17(1) and 400-4-2-.01(5) of the *State Oil and Gas Board of Alabama Administrative Code*.

The previous temporarily abandoned status and the Class II UIC permit for this well has expired and Petitioner requests the Board to grant a one year extension because said well has future utility and should not be plugged.

**BOARD ACTION:** Continued 3.27.2012

25. DOCKET NO. 8-26-08-25A

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> <u>(Tank Battery No.)</u>	<u>Well Name</u> <u>(Tank Battery)</u>	<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	Smith Trice #34-10	S34, T11N, R4W
(3469 TB)	(Smith Trice #34-10)	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 3.27.2012