

RESULTS OF MEETING

The State Oil and Gas Board of Alabama held its regular hearing at 10:00 a.m. on Tuesday, May 8, 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. 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: Dismissed without prejudice. 5-10-2012

ORDER NO.: 2012-24

2. 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: Granted 5-10-2012

ORDER NO.: 2012-25

3. 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: Granted 5-10-2012

ORDER NO.: 2012-26

4. 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 5-10-2012

5. 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 5-10-2012

6. 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 5-10-2012

7. 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 5-10-2012

8. 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 5-10-2012

9. 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 5-10-2012

10. 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: Dismissed without prejudice. 5-10-2012

ORDER NO.: 2012-27

11. DOCKET NO. 5-08-12-01

Petition by SKLAR EXPLORATION COMPANY L.L.C. requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling, without risk compensation, all tracts and interests in the Northwest 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 Sections 9-17-1, et seq. (and, in particular, Section 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 5-10-2012

ORDER NO.: 2012-28

12. DOCKET NO. 5-08-12-02

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. 2011-28 issued on March 31, 2011. The petition is filed pursuant to Section 9-17-1, et seq. of the Code of Alabama (1975), as amended.

BOARD ACTION: The State Oil and Gas Board hereby orders that the surety in the amount of \$2.5 million remain in place. Further with respect to the request to reduce the amount of surety, the request is denied.

ORDER NO.: 2012-29

13. DOCKET NO. 5-08-12-03

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, 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 amending Rule 4A of the Special Field Rules for Deerlick Creek Coal Degasification Field, Tuscaloosa County, Alabama, to allow a second well to be drilled and produced within 80-acre drainage or production units in the Field, in accordance with the provisions of Section 9-17-12(b) of the Code of Alabama (1975), as amended.

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-30

14. DOCKET NO. 5-08-12-04

Petition by W&T OFFSHORE, INC., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to grant an extension of the temporarily abandoned status for the State Lease 531 #3 Well, Permit No. 9477-0S-41-B, located in Tract 113 in the Fairway Field Unit, Mobile County, Alabama, for a one year period pursuant to Rule 400-2-4-.14(1) of the State Oil and Gas Board of Alabama Administrative Code, as said 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 5-10-2012

ORDER NO.: 2012-31

15. DOCKET NO. 5-08-12-05

Petition by ROBINSON'S BEND OPERATING II, 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 final permanent open hole completions of the Parham 3-8-537 Well, Permit No. 13603-C, and the Ingram 36-14-725 Well, Permit No. 16439-C, both located in Tuscaloosa County, Alabama, in the Robinson's Bend Coal Degasification Field, as exceptions to Rule 5 of the Special Field Rules for said Field.

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-32

16. DOCKET NO. 5-08-12-06

Petition by JIM WALTER RESOURCES, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving temporarily abandoned status for the JWR 25-14-04 Well, Permit No. 16065-BH, a horizontal well, located on a 320-acre wildcat drilling unit consisting of the West Half of Section 25, Township 20 South, Range 8 West, Tuscaloosa County, Alabama, for one year, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code, because said well has future utility and should not be plugged.

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-33

17. DOCKET NO. 5-08-12-07

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: Continued with stipulations. 5-10-2012

18. DOCKET NO. 5-08-12-08

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 West, 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.

This Petition is filed as a companion to a Petition under Docket No. 5-08-12-09 requesting approval of an exceptional location for the proposed Reaves 19-7 No. 1 Well.

BOARD ACTION: Dismissed without prejudice. 5-10-2012

ORDER NO.: 2012-34

19. DOCKET NO. 5-08-12-09

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 approving an exceptional location for the proposed Reaves 19-7 No. 1 Well to be drilled at a location 516 feet from the South line and 769 feet from the West line of a proposed 160-acre drilling unit consisting of the Northeast Quarter of Section 19, Township 11 North, Range 2 West, Choctaw County, Alabama to be drilled as a productive extension of the Thornton Springs Field. Said location 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 such wells be located 660 feet from any exterior boundary of the drilling unit.

This Petition is filed as a companion to a Petition under Docket No. 5-08-12-08 requesting that the drilling unit for the proposed Well be force pooled without the imposition of a risk compensation penalty.

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-35

20. DOCKET NO. 5-08-12-10

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 nongovernmental forty-acre wildcat drilling unit consisting of the East Half of the Southwest Quarter of the Northwest Quarter and the West Half of the Southeast Quarter of the Northwest Quarter of Section 14, Township 2 North, Range 8 East, Escambia County, Alabama, for the drilling of the Craft-H.H. Wefel III Trust 14-5 No. 1 Well; and (ii) approve the proposed nongovernmental forty-acre wildcat drilling unit as an exception to Rule 400-1-2-.02(2)(a) of the State Oil and Gas Board of Alabama 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 Southwest Quarter of the Northwest Quarter and the West Half of the Southeast Quarter of the Northwest Quarter of Section 14, Township 2 North, Range 8 East, Escambia County, Alabama.

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

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-36

21. DOCKET NO. 5-08-12-11A

Petition by SKLAR EXPLORATION COMPANY L.L.C. requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling, without risk compensation, all tracts and interests in the Northwest Quarter of Section 35, Township 4 North, Range 12 East, Conecuh County, Alabama, as a 160-acre drilling 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. By Order No. 2011-87, the Board previously force pooled, without risk compensation, all tracts and interest in the proposed unit. However, that Order has since expired by operation of law.

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-37

22. DOCKET NO. 5-08-12-12

Petition by UNION OIL COMPANY OF CALIFORNIA, 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 Mobile County, Alabama, in the Chunchula Fieldwide Unit, in accordance with Rules 400-1-4-.17(1) and (2) of the State Oil and Gas Board of Alabama Administrative Code:

Well Name	Permit No.	Location	Status
Roy J. Smith et al 6-10 #1A	2355-B	S6-T1S-R1W	Temporarily Abandoned
Annie M. Hill 8-7 #1	13619	S8-T1S-R2W	Temporarily Abandoned
International Paper Co. 24-11 #1	2119-B	S24-T1S-R2W	Shut-in
E.M. Maddox 26-12 #1	11629-B-1	S26-T1S-R2W	Shut-in
E.L. Maples 24-16 #1	3193	S24-T1S-R2W	Shut-in
C.P. Newman 17-11 #1	2739	S17-T1S-R1W	Shut-in; and

Petitioner requests that the Board grant a one year extension of the temporarily abandoned status of the Roy J. Smith et al 6-10 #1A and Annie M. Hill 8-7 #1 Wells because said wells have future utility and should not be plugged.

Petitioner further requests that the Board grant a one year extension of the shut-in status for the International Paper Co. 24-11 #1, E.M.

Maddox 26-12 #1, E.L. Maples 24-16 and C.P. Newman 17-11 #1 Wells because said wells are capable of producing and should not be plugged.

Petitioner further requests that the Board approve shut-in status of the following wells located in Mobile County, Alabama, in the Chunchula Fieldwide Unit, in accordance with Rule 400-1-4-.17 (2) of the State Oil and Gas Board of Alabama Administrative Code because said wells are capable of producing and should be not plugged:

Well Name	Permit No.	Location
Della M. Waltman 15-10 #1	2758	S15-T1S-R2W
R.J. Newman 7-7 #1A	2233-B-2	S7-T1S-R1W
Athur R. Outlaw 34-15 #1	4692	S34-T1S-R2W

BOARD ACTION: Continued with stipulations. 5-10-2012

23. DOCKET NO. 5-08-12-13

Petition by FOUR STAR OIL & GAS COMPANY, a subsidiary of Chevron U.S.A. 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 approving temporarily abandoned status for the Hatter's Pond Unit 10-2 #2 Well, Permit No. 4894-B, for one year, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code because said well has future utility and should not be plugged.

Petitioner further requests that the Board extend the temporarily abandoned status for the following wells located in Mobile County, Alabama, in the Hatter's Pond Unit, for one year, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code because said wells have future utility and should not be plugged:

Well Name	Permit No.	Location
Hatter's Pond Unit 21-15 #1	3697	S21-T2S-R1W
Hatter's Pond Unit 33-16 #1	3451-B	S33-T1S-R1W
Hatter's Pond Unit 3-1 #1	4706	S3-T2S-R1W.

Petitioner further requests that the Board approve shut-in status for the following wells located in Mobile County, Alabama, in the Hatter's Pond Unit, for one year, in accordance with Rule 400-1-4-.17(2) of the State Oil and Gas Board of Alabama Administrative Code because said wells are capable of producing and should not be plugged:

Well Name	Permit No.	Location
Hatter's Pond Unit 3-9 #1	4705	S3-T2S-R1W
Hatter's Pond Unit 35-11 #3	3277	S35-T1S-R1W
Hatter's Pond Unit 15-3 #1	10453	S15-T2S-R1W.

BOARD ACTION: Continued with stipulations. 5-10-2012

24. DOCKET NO. 5-08-12-14

Petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board of Alabama to enter an order force pooling, without risk compensation, all tracts and interests in the 160-acre unit previously established for the R.J. Newman et al 21-11 #1 Well, Permit No. 4412-A, consisting of the Southwest Quarter of Section 21, Township 1 South, Range 1 West, Mobile County, Alabama, in the Turnerville Field, and requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, as Petitioner plans to conduct additional operations on said well.

This petition is filed pursuant to Ala. Code Sections 9-17-1, et seq. (and, in particular, Section 9-17-13, as amended) and Rules 400-1, et seq. (and, in particular, Rule 400-7-2 and Rule 400-7-1) of the *State Oil and Gas Board of Alabama Administrative Code*.

BOARD ACTION: Granted 5-10-2012

ORDER NO.: 2012-38

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

Hearings of the State Oil and Gas Board are public hearings, and members of the public are invited to attend and present their position concerning petitions. Requests to continue or oppose a petition should be received by the Board at least two (2) days prior to the hearing. The public should be aware that a petition may be set for hearing on the first day or second day of the hearing or may be continued to another hearing at a later date. We suggest, therefore, that prior to the hearing, interested parties contact the Board to determine the status of a particular petition. For additional information, you may contact the State Oil and Gas Board, P. O Box 869999, Tuscaloosa, Alabama 35486-6999, Telephone Number 205/349-2852, Fax Number 205/349-2861, or by email at petitions@ogb.state.al.us.

BOARD ACTION: Continued 5-10-2012