

RESULTS OF MEETING  
STATE OIL AND GAS BOARD OF ALABAMA  
MARCH 19 & 21, 2013

The State Oil and Gas Board of Alabama held its regular hearings at 10:00 a.m. on Tuesday, March 19, 2013, and Thursday, March 21, 2013 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. 10-23-12-01A**

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 "Southeast 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 that the proposed Southeast Wallace Field be approved and established to consist of the Northwest Quarter of Section 19, 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 Southeast Wallace Field be defined as those strata of the Smackover formation productive of hydrocarbons in the interval between 13,672 feet and 13,704 feet MD in the Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-B, with a surface location of 671 feet FNL and 2,190 feet FWL of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama, as defined by the Platform Express 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 200 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 a Petition requesting that the Board reform the 40-acre wildcat drilling unit for the Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-B, and approve and establish a 160-acre production unit for the Well consisting of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama.

**BOARD ACTION:** Granted with the stipulation that the production allowable be 100 barrels of oil per day, 3/21/2013.  
**ORDER NO.** 2013-06

**2. DOCKET NO. 10-23-12-02A**

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 Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-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 Northeast Quarter of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama, to a 160-acre production unit consisting of the Northwest Quarter of Section 19, 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 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 a Petition requesting that the Board establish a new oil field in Escambia County, Alabama, to be known as the "Southeast Wallace Field," which will encompass the proposed 160-acre production unit for the Well.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-07

**3. DOCKET NO. 12-11-12-01**

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 Southeast Quarter of Section 5, Township 3 North, Range 12 East, Escambia 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 Sections 9-17-1, *et seq.* Ala. Code (1975) (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:** Continued, 3/21/2013.

**4. DOCKET NO. 12-11-12-04**

Petition by MRS. EUNICE REYNOLDS, an individual mineral interest owner and lessee, requesting the State Oil and Gas Board of Alabama to approve an alternate 160-acre production unit for the Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-B from that production unit described in the ANKOR E&P Holdings Corporation's Petition bearing Docket No. 10-23-12-02A,

Petitioner requests that the Board approve her alternate production unit, which will consist of the Southeast Quarter of the Southwest Quarter of Section 18, Township 3 North, Range 9 East; and the North Half of the Northwest Quarter of Section 19, Township 3 North, Range 9 East; and the North Half of the South Half of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, all in Escambia County, Alabama.

This 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 a Petition requesting that the Board extend the boundaries of the existing South Wallace Field located in Escambia County, Alabama, and to change certain of the Special Field Rules for the South Wallace Field as Necessary.

**BOARD ACTION:** Dismissed without prejudice, 3/21/2013.

**ORDER NO.** 2013-08

**5. DOCKET NO. 12-11-12-05**

Petition by MRS. EUNICE REYNOLDS, an individual mineral interest owner and lessee, requesting the State Oil and Gas Board of Alabama to extend the boundaries of the existing South Wallace Field located in Escambia County, Alabama, and to change certain of the Special Field Rules for the South Wallace Field as Necessary.

Petitioner requests that the field limits of the existing South Wallace Field be re-defined to consist of the Southeast Quarter of Section 13 and the North Half of the Northeast Quarter of Section 24, Township 3 North, Range 8 East; and the Southwest Quarter of Section 18, Township 3 North, Range 9 East; and the North Half of the Northwest Quarter of Section 19, Township 3 North, Range 9 East; and the North Half of the South Half 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 definition of the Smackover Oil Pool as defined in the Special Field Rules for the already existing South Wallace Field be re-defined to accurately depict the area of the Smackover Oil Pool.

**BOARD ACTION:** Dismissed without prejudice, 3/21/2013.

**ORDER NO.** 2013-09

## **6. DOCKET NO. 12-11-12-06A**

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order pursuant to Sections 9-17-1 through 9-17-33 and 9-17-80 through 9-17-88, *Code of Alabama* (1975) approving and establishing a partial field-wide Unit, to be known as Unit VI-A, consisting of the hereinafter described "Unit Area" in Jefferson County, Alabama, in the Oak Grove Coal Degasification Field, and requiring the operation of said Unit Area as a single Unit in order to avoid the drilling of unnecessary wells, increase the efficiency of operations and enhance the ultimate recovery of coalbed methane gas from the Unitized Formation, as hereinafter defined, and avoid waste.

The "Unitized Formation" is to be designated as the Pottsville Coal Interval underlying the Unit Area, and is defined as the productive coal seams found between the depths of 522 feet and 1,930 feet as encountered in the Shelby Belcher 26-05-562 Well, Permit No. 15912-C, located in Section 26, Township 19 South, Range 6 West, Jefferson County, Alabama, as indicated on the Gamma Ray High Resolution Density Log for said well, and all zones in communication therewith and all productive extensions thereof, including any coal seam stringer that might occur within a depth of either 80 feet above or 80 feet below the Pottsville Coal Interval, and including those coal seams which can be correlated therewith.

Petitioner further seeks approval of the Unit Agreement and Unit Operating Agreement, as ratified, in accordance with Section 9-17-84, *Code of Alabama* (1975), and approval of the amendments to the Special Field Rules for the Oak Grove Coal Degasification Field in order to conform to the provisions of the aforementioned Unit Agreement and Unit Operating Agreement.

Petitioner further seeks entry of an order unitizing, pooling and integrating the Unit Area, as underlain by the above defined unitized formation so as to require all owners or claimants of royalty, overriding royalty, mineral, and leasehold interests within the Unit Area to unitize, pool and integrate their interests and develop their lands or interests as a Unit, and designating Black Warrior Methane Corp. as Operator of the Unit Area in accordance with the laws of Alabama.

The proposed Unit Area, to be designated Unit VI-A, containing approximately 520 acres, more or less, consists of the following described parcels located in Jefferson County, Alabama:

Northwest Quarter of Northeast Quarter, Northeast Quarter of Northwest Quarter, Southeast Quarter of Northwest Quarter of Northwest Quarter, Northeast Quarter of Northeast Quarter, Southwest Quarter of Northeast Quarter, Southeast Quarter of Northwest Quarter, East Half of Southwest Quarter of Northwest Quarter, Southwest Quarter of Southwest Quarter of Northwest Quarter, North Half of Southwest Quarter, and Southwest Quarter of Southwest Quarter, All in Section 26; Southeast Quarter of Southeast Quarter, Southeast Quarter of Southeast Quarter of Northeast Quarter, Northeast Quarter of Southeast Quarter, Southeast Quarter of Northwest Quarter of Southeast Quarter, and East Half of Southwest Quarter of Southeast Quarter of Section 27, and Northeast Quarter of Northeast Quarter of Section 34, all in Township 19 South, Range 6 West.

**BOARD ACTION:** Dismissed without prejudice, 3/21/2013.

**ORDER NO.** 2013-10

## **7. DOCKET NO. 02-12-13-01A**

Petition by WALTER BLACK WARRIOR BASIN 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 reforming the unit for the Chevron 12-12-178 Well, Permit No. 12039-C, from an 80-acre production unit consisting of the West Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field, to an 80-acre production unit consisting of the North Half of the Southwest Quarter of said Section 12.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-11

**8. DOCKET NO. 02-12-13-02**

Petition by WALTER BLACK WARRIOR BASIN 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 reforming the unit for the Chevron 12-14-179 Well, Permit No. 12027-C, from an 80-acre production unit consisting of the East Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field, to an 80-acre production unit consisting of the South Half of the Southwest Quarter of said Section 12.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-12

**9. DOCKET NO. 02-12-13-03**

Petition by WALTER BLACK WARRIOR BASIN 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 reforming the unit for the Chevron 12-13-1177 Well, Permit No. 15982-C, from an 80-acre production unit consisting of the West Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field, to an 80-acre production unit consisting of the South Half of the Southwest Quarter of said Section 12.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-13

**10. DOCKET NO. 02-12-13-04A**

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the exceptional location of the Hassinger 28-06-463 Well, Permit No. 13116-C, as an exception to Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field. Said well was permitted on an 80-acre production unit in the Blue Creek Coal Degasification Field consisting of the South Half of the Northwest Quarter of Section 28, Township 16 South, Range 9 West, Fayette County, Alabama, at a location 169 feet from the South line and 1,489 feet from the West line of said 80-acre production unit, but recent new technology that was provided to Petitioner shows the location of said well as actually being 138 feet from the South line and 1,542 feet from the West line of the 80-acre production unit.

Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field requires that wells be located at least 150 feet from every exterior boundary of the drilling unit, but the location of the referenced well, being only 138 feet from the South line of said 80-acre production unit is an exception to said Rule.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-14

**11. DOCKET NO. 02-12-13-05**

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the exceptional location of the E. Hinds #14-5-4 Well, Permit No. 7816-C, as an exception to Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field. Said well was permitted on a 40-acre production unit in the Blue Creek Coal Degasification Field consisting of the Southwest Quarter of the Northwest Quarter of Section 14, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, at a location 242 feet from the North line and 702 feet from the West line of said 40-acre production unit, but recent new technology that was provided to Petitioner shows the location of said well as actually being 6 feet from the North line and 353 feet from the West line of the 40-acre production unit.

Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field requires that wells be located at least 150 feet from every exterior boundary of the drilling unit, but the location of the referenced well, being only 6 feet from the North line of said 40-acre production unit is an exception to said Rule.

**BOARD ACTION:** Continued, 3/21/2013.

**12. DOCKET NO. 02-12-13-06**

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the exceptional location of the S. Stedman #1-11-3 Well, Permit No. 7304-C, as an exception to Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field. Said well was permitted on a 40-acre production unit in the Blue Creek Coal Degasification Field consisting of the Northeast Quarter of the Southwest Quarter of Section 1, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, at a location 154 feet from the North line and 562 feet from the East line of said 40-acre production unit, but recent new technology that was provided to Petitioner shows the location of said well as actually being 91 feet from the North line and 433 feet from the East line of the 40-acre production unit.

Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field requires that wells be located at least 150 feet from every exterior boundary of the drilling unit, but the location of the referenced well, being only 91 feet from the North line of said 40-acre production unit is an exception to said Rule.

**BOARD ACTION:** Continued, 3/21/2013.

**13. DOCKET NO. 02-12-13-07**

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the exceptional location of the Hall 32-06-448 Well, Permit No. 13114-C, as an exception to Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field. Said well was permitted on a 40-acre production unit in the Blue Creek Coal Degasification Field consisting of the Southeast Quarter of the Northwest Quarter of Section 32, Township 16 South, Range 9 West, Fayette County, Alabama, at a location 168 feet from the South line and 566 feet from the West line of said 40-acre production unit, but recent new technology that was provided to Petitioner shows the location of said well as actually being 14 feet from the South line and 616 feet from the West line of the 40-acre production unit.

Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field requires that wells be located at least 150 feet from every exterior boundary of the drilling unit, but the location of the referenced well, being only 14 feet from the South line of said 40-acre production unit is an exception to said Rule.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-15.

**14. DOCKET NO. 02-12-13-10**

Notice that the Petitioner, ROBERT LAND, individually and as an attorney for landowners in the subject area, has petitioned the State Oil and Gas Board of Alabama (hereinafter referred to as "Board") to order the operator, Delphi Oil, Inc. (hereinafter referred to as "Delphi"), to plug and abandon the 9216 JV-P Jordan 33-8 No. 1 Well, Permit No. 10600, located on a unit consisting of the Northeast Quarter of Section 33, Township 6 North, Range 7 East, and the 9216 JV-P Hill 34-3 No. 1 Well, Permit No. 10727-B, located on a unit consisting of the Northwest Quarter of Section 34, Township 6 North, Range 7 East, North Excel Field, Monroe County, Alabama. Petitioner has further requested the Board to order the well sites restored to their original condition, and all equipment servicing said wells be removed and such sites restored to their original condition. Petitioner further requested such other action as the Board deems appropriate before the Board's scheduled meeting on February 12 and 14, 2013, in Tuscaloosa, Alabama.

**BOARD ACTION:** Continued, 3/21/2013.

**15. DOCKET NO. 03-19-13-01**

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the exceptional location of the Chevron 12-12-178 Well, Permit No. 12039-C, on a proposed reformed 80-acre production unit in the Blue Creek Coal Degasification Field as an exception to Rule 4B of the Special Field Rules for said Field. Said well was permitted and drilled on an 80-acre production unit in the Blue Creek Coal Degasification Field consisting of the West Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, at a location 324 feet from the East line and 1,234 feet from the North line of said 80-acre production unit. Since recent technology revealed that the said well is actually located in the Northeast Quarter of the Southwest Quarter of said Section

12, Petitioner filed a petition bearing Docket No. 2-12-13-01 requesting reformation of the hereinabove described 80-acre unit for the Chevron 12-12-178 Well to an 80-acre production unit consisting of the North Half of the Southwest Quarter of said Section 12, and this petition is related to said petition. The location of said well on the proposed reformed 80-acre production unit is 104 feet from the South line and 1,111 feet from the East line of said reformed 80-acre unit and, as such, is an exception to Rule 4B of the Special Field Rules for the Blue Creek Coal Degasification Field as said Rule requires that wells in said Field be located at least 150 feet from every exterior boundary of the drilling unit.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-16

**16. DOCKET NO. 03-19-13-02A**

Petition by KLONDIKE ENERGY, L.P., a foreign limited partnership, requesting the State Oil and Gas Board to enter an order establishing a new gas condensate field in Choctaw County, Alabama, to be named the Southeast Silas 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 Gas Pool, consists of the Southwest Quarter of Section 14 and Southeast Quarter of Section 15, Township 9 North, Range 4 West, Choctaw County, Alabama.

The Smackover Gas Pool in said Field is defined as those strata productive of hydrocarbons between the interval of 13,801 feet and 13,818 feet, as indicated on the Three Detector Litho Density TVD Log for the Choctaw Lumber Co. 14-11 #1 Well, Permit No. 16747-B, located in the Southwest Quarter of Section 14, Township 9 North, Range 4 West, Choctaw 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 Choctaw Lumber Co. 14-11 #1 Well, Permit No. 16747-B, consisting of the Southwest Quarter of Section 14, Township 9 North, Range 4 West, Choctaw 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.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-17

**17. DOCKET NO. 03-19-13-03**

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 approving temporarily abandoned status for the Barlow 30-3 Well, Permit No. 16347, located in Section 30, Township 4 North, Range 12 East, Conecuh County, Alabama, in the Little Cedar Creek Oil Unit, Little Cedar Creek Field, in accordance with Rule 400-1-4-.17 (1) of the State Oil and Gas Board of Alabama Administrative Code.

Petitioner requests that the Board approve temporarily abandoned status for said well as it future utility and should not be plugged.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-18

**18. DOCKET NO. 03-19-13-04**

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order relinquishing and terminating jurisdiction and authority over the Hassinger 17-06-516 Well, Permit No. 15432-C, located on an 80-acre production unit consisting of the Southeast Quarter of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter of Section 17, Township 19 South, Range 7 West, Tuscaloosa County, Alabama, in the Oak Grove Coal Degasification Field, in accordance with Section 9-17-1 et seq., Code of Alabama (1975), as amended and with Rule 400-1-2-.01 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Continued, 3/21/2013.

**19. DOCKET NO. 03-19-13-05**

Petition by VENTEX OPERATING CORP., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to issue an order allowing Petitioner to maximize the recovery of oil by commingling non-Unit production from the Lower Cotton Valley Sand Oil Pool in the Hart 4-7 #2 Well, Permit No. 11824, located in Section 4, Township 2 North, Range 14 East, Covington County, Alabama, in the North Rome Field with Unit production from the East Haynesville Sand Oil Pool. The allocation of production between zones will be based upon the procedure previously approved by the Board by Order No. 2002-506, issued on December 20, 2002, and Order No. 2006-60 issued on April 27, 2006, for commingling in the Paramount-Findley 5-2 #1 Well, Permit No. 9378, and the Paramount Hart 4-7 #1 Well, Permit No. 10144, respectively. If approved, this proposal to commingle production will not create any change in ownership or otherwise affect any ownership interest in either the Lower Cotton Valley Sand Oil Pool or the East Haynesville Sand Oil Pool.

**BOARD ACTION:** Continued, 3/21/2013.

**20. DOCKET NO. 03-19-13-06**

Petition of ALTA MESA SERVICES, LP, foreign limited partnership, 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 bottom hole location for its proposed Harrell-Carney 4-4 #1 well to be drilled to a bottom hole location approximately 121 feet from the North line and 538 feet from the East line of a 40-Acre wildcat drilling unit consisting of the Northwest Quarter of the Northwest Quarter of Section 4, Township 11 North, Range 4 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, 3/21/2013.

**ORDER NO.** 2013-19

**21. DOCKET NO. 03-19-13-07**

Petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving a nongovernmental exceptional 160-acre wildcat drilling unit consisting of the South Half of the Northeast Quarter and the North Half of the Southeast Quarter, all in Section 2, Township 3 North, Range 6 East, Escambia County, Alabama, for the Chunn 2-9 No. 1 Well, as an exception to Rule 400-1-2-.02(2)(b) of the State Oil and Gas Board of Alabama Administrative Code. Said Rule requires that wells be drilled on drilling units consisting of a governmental quarter section containing approximately 160 acres. The Petition is filed pursuant to Section 9-17-1 et seq. of the Code of Alabama (1975). In this Petition, Petitioner proposes to re-enter the subject well on a wildcat drilling unit previously approved by the Board.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-20

**22. DOCKET NO. 03-19-13-08A**

Amended 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 Southwest Quarter of Section 36, Township 4 North, Range 12 East, Conecuh County, Alabama, as a 160-acre productive extension of the Brooklyn Field 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, 3/21/2013.

**ORDER NO.** 2013-21

**23. DOCKET NO. 03-19-13-09**

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:

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

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:** Continued with the stipulation that the current shut-in or temporarily-abandoned status for each well be extended to the next regularly scheduled meeting of the Board, 3/21/2013.

**24. DOCKET NO. 03-19-13-10**

Petition STETSON PETROLEUM CORP., 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 a nongovernmental 160-acre production unit for the proposed Coley 35-5 No. 1 to consist of the South Half of the Northwest Quarter and the North Half of the Southwest Quarter of Section 35, Township 4 North, Range 7 East, Conecuh County, Alabama, in the Barnett Field. Rule 3 of the Special Field Rules for the Barnett Field requires all wells to be drilled on a unit of approximately 160 contiguous acres upon which no other drilling or producible well is located.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-22

**25. DOCKET NO. 03-19-13-11A**

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 amending Rule 1 of the Special Field Rules for the Little Cedar Creek Field, Conecuh County, Alabama, to delete the South Half of Section 21, South Half of Section 22, all of Sections 27 and 28 and the Northeast Quarter of Section 29, all in Township 4 North, Range 13 East, Conecuh County, Alabama, from the field limits of said Field.

In a related petition, Petitioner is requesting that the referenced parcels be added to the Brooklyn Field.

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

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-23

**26. DOCKET NO. 03-19-13-12**

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 approving an exceptional location for the proposed Marion Johnson 14-3 No. 1 Well to be drilled to a bottom hole location approximately 544 feet from the North line and no closer than 165 feet from the West line of a proposed 40-acre drilling unit to consist of the Northeast Quarter of the Northwest Quarter of Section 14, Township 4 North, Range 6 East, Monroe County, Alabama to be drilled as a wildcat well in said Monroe 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, 3/21/2013.

**ORDER NO.** 2013-24

**27. DOCKET NO. 03-19-13-13B**

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 (i) amending Rule 1 of the Special Field Rules for the Brooklyn Field, Conecuh and Escambia Counties, Alabama, in order to add the Northeast Quarter of Section 25, Southwest Quarter of Section 26, all of Section 27, South Half of Section 28, South Half of Section 29 and the North Half of Section 32, all in Township 4 North, Range 12 East, Conecuh County, Alabama, and the South Half of Section 21, South Half of 22, all of Sections 27 and 28, Northeast Quarter of Section 29, Northwest Quarter of Section 30 and the North Half of Section 33, all in Township 4 North, Range 13 East, Conecuh County, Alabama, to the field limits of said Field, and (ii) establishing the final 160-acre production units, which are the same as the 160-acre drilling units for the following wells:

Cedar Creek Land & Timber 33-4 #1 Well, Permit No. 16656-B: Northwest Quarter of Section 33, Township 4 North, Range 13 East, Conecuh County, Alabama

Cedar Creek Land & Timber 33-2, 4-13 Well, Permit No. 16788: Northeast Quarter of Section 33, Township 4 North, Range 13 East, Conecuh County, Alabama

Kendall 25-7 #1 Well, Permit No. 16790: Northeast Quarter of Section 25, Township 4 North, Range 12 East, Conecuh County, Alabama

Findley 26-13 #1 Well, Permit No. 16748-B: Southwest Quarter of Section 26, Township 4 North, Range 12 East, Conecuh County, Alabama

Cedar Creek Land & Timber 27-1 #1 Well, Permit No. 16599: Northeast Quarter of Section 27, Range 4 North, Range 12 East, Conecuh County, Alabama

Cedar Creek Land & Timber 27-10 #1 Well, Permit No. 16630: Southeast Quarter of Section 27, Township 4 North, Range 12 East, Conecuh County, Alabama

Cedar Creek Land & Timber 27-11 #1 Well, Permit No. 16667-B: Southwest Quarter of Section 27, Township 4 North, Range 12 East, Conecuh County, Alabama

Johnston Trust 28-16 #1 Well, Permit No. 16708: Southeast Quarter of Section 28, Township 4 North, Range 12 East, Conecuh County, Alabama

Overbey 28-14 #1 Well, Permit No. 16737-B: Southwest Quarter of Section 28, Township 4 North, Range 12 East, Conecuh County, Alabama

Cedar Creek Land & Timber 29-14 #1 Well, Permit No. 16773: Southwest Quarter of Section 29, Township 4 North, Range 12 East, Conecuh County, Alabama

Cedar Creek Land & Timber 29-16 #1 Well, Permit No. 16736: Southeast Quarter of Section 29, Township 4 North, Range 12 East, Conecuh County, Alabama

Cedar Creek Land & Timber 32-1 #1 Well, Permit No. 16743: Northeast Quarter of Section 32, Township 4 North, Range 12 East, Conecuh County, Alabama.

In a related petition, Petitioner requests that the South Half of Section 21, South Half of 22, all of Sections 27 and 28 and the Northeast Quarter of Section 29, all in Township 4 North, Range 13 East, Conecuh County, Alabama, be deleted from the Little Cedar Creek Field. This petition is filed pursuant to Section 9-17-1 et seq., Code of Alabama (1975) and Rules 400-1, et seq., of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Granted, 3/21/2013.

**ORDER NO.** 2013-25

**28. DOCKET NO. 03-19-13-14**

Motion by the State Oil and Gas Board of Alabama to amend the State Oil and Gas Board of Alabama Administrative Code to adopt proposed Rule 400-1-9-.04 relating to Hydraulic Fracturing and to amend Rule 400-3-8-.03 relating to Hydraulic Fracturing of Coalbeds. The jurisdiction and authority of the State Oil and Gas Board of Alabama to promulgate regulations is set forth in Section 9-17-1 et seq. of the Code of Alabama (1975), specifically Section 9-17-6(c) of the Code of Alabama (1975).

**BOARD ACTION:** Continued, 3/21/2013.

**29. DOCKET NO. 7-20-10-07**

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's issuing fines or taking other sanctions against operator, S. Lavon Evans Jr., Operating Co., Inc.

County Line Field Well, Pickens Co.

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

SE Watson Field Wells, Lamar Co.

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

Wiley Dome Field Wells, Lamar Co.

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

Lamar County Wildcats

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
13640	Gartman 2-4 #1	S2, T17S, R16W

Tuscaloosa County Wildcats

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
13133	Earnest 26-15 #1	S26, T17S, R9W
13307	Christian 3-8 #1	S3, T18S, R9W
13384	Champion International 35-13 #1	S35, T17S, R9W
13387	Alawest 2-3 #1	S2, T18S, R9W
13388	Bane 36-14 #1	S36, T17S, R9W
13680	Bolton 1-4 #1A	S1, T18S, R9W
13710	Champion International 3-10 #1	S3, T18S, R9W
13711	Alawest 1-12 #2	S1, T18S, R9W

Jefferson County Wildcat

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
13389	U.S. Steel Corporation 21-13 #1	S21, T19S, R5W

**BOARD ACTION:** Continued, 3/21/2013.