

RESULTS  
STATE OIL AND GAS BOARD OF ALABAMA  
BOARD MEETING  
FEBRUARY 28 & MARCH 2, 2007

1. DOCKET NO. 11-1-06-6

Continued petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from coalbeds in the Pottsville Formation in the Falls 28-16-826 Well to be located on an 80-acre unit consisting of the Southeast Quarter of the Southeast Quarter of Section 28, and the Northeast Quarter of the Northeast Quarter of Section 33, all in Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field.

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

**BOARD ACTION:** Continued 3-2-07

2. DOCKET NO. 11-01-06-10

Continued petition by SAGA PETROLEUM, LLC, a Colorado limited liability company authorized to do and doing business in the State of Alabama, requesting the State Oil & Gas Board of Alabama to enter an order force pooling, with risk compensation, all tracts and interests in coalbed methane produced from a well drilled to the Pottsville Formation on a unit consisting of approximately 40 acres located in the Southeast Quarter of the Northwest Quarter of Section 34, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. This petition is in accordance with Section 9-17-13, ALABAMA CODE (1975), as amended, and Rules 400-7-1 and 400-7-2 of the State Oil and Gas Board of Alabama Administrative Code.

**BOARD ACTION:** Continued 3-2-07

3. DOCKET NO. 11-01-06-15

Continued petition by DE SOTO OIL & GAS, INC., an Alabama corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil & Gas Board of Alabama to enter an Order approving an exception to the spacing requirements as set out in Rule 3(b) of the Special Field Rules for the Big Escambia Creek Field, so as to allow the Petitioner to drill a Well known as the Edwards 13-1 No. 1 Well, with a proposed bottom hole location to be no closer than 660 feet from the north line and no closer than 660 feet from the east line of the unit for said Edwards 13-1 No. 1 Well, which is comprised of the entire Section 13, Township 1 North, Range 7 East, Big Escambia Creek Field, Escambia County, Alabama.

This Petition is a companion to Docket No. 11-01-06-16 in which Petition requests approval of force pooling of the interest in the Edwards 13-1 No. 1 Well.

**BOARD ACTION:** Continued 3-2-07

4. DOCKET NO. 11-01-06-16

Continued petition by DE SOTO OIL & GAS, INC., an Alabama corporation authorized to do and doing business in the State of Alabama, requesting the State Oil & Gas Board of Alabama to enter an order force pooling, without risk compensation, of all tracts and interests in a 640 acre drilling unit for the proposed Edwards 13-1 No. 1 Well, having a unit consisting of all of Section 13, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field with an objective depth of the Smackover Formation as defined by the Special Field Rules for the Big Escambia Creek Field. This petition is in accordance with Section 9-17-13, ALABAMA CODE (1975), as amended, and Rules 400-7-1 and 400-7-2 of the State Oil and Gas Board of Alabama Administrative Code.

This Petition is a companion to Docket No. 11-01-06-15 in which Petitioner requests approval of an exception location for bottom hole location of the Edwards 13-1 No. 1 Well.

**BOARD ACTION:** Continued 3-2-07

5. DOCKET NO. 12-12-06-7C

Continued amended 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 granting a temporary abandoned status and extending the Class II permits for certain wells in the Chunchula Field, Mobile County, Alabama. Petitioner is requesting the Board to grant a temporary abandoned status for the following wells until May 1, 2007, to allow Petitioner additional time to continue the on-going efforts to plug and abandon these wells:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
2584-B	R.E. Davis 1-11 #1	Sec. 1, T1S, R2W
2044	J.A. Smith 15-6 #1	Sec. 15, T1S, R2W
2005-B	Mobile County Board of School Commissioners 16-10 #1	Sec. 16, T1S, R2W

In Order No. 2005-140, issued on December 16, 2005, the Board ordered that the above-reference wells be plugged and abandoned by December 14, 2006.

The following well has been reactivated for production demonstrating that the well has future utility, therefore, the well should not be should not be plugged and abandoned as required by Order No. 2005-140:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
3206	International Paper Co. 24-4 #1	Sec. 24, T1S, R2W

Petitioner is requesting that the Board grant a temporarily abandoned status for the following wells for one year from the date of this Order, or until the next regularly scheduled meeting of the Board following said one year period:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
2355-B	Roy J. Smith et al 6-10 #1A	Sec. 6, T1S, R1W
2499	International Paper Co. 2-10 #1	Sec. 2, T1S, R2W
2158	M.V. Kelly 11-10 #1	Sec. 11, T1S, R2W

In Order No. 2005-140, issued on December 16, 2005, the Board ordered that the above-reference wells be plugged and abandoned by December 14, 2006. Petitioner has agreed to farmout its interest to a third party for the re-entry and re-completion of the Roy J. Smith et al 6-10 #1A Well in the Sligo/Hosston Sands. Petitioner is also evaluating the economical and mechanical feasibility of re-entering the International Paper Co. 2-10 #1 and M.V. Kelly 11-10 #1 Wells for development of the Sligo/Hosston Sands.

Petitioner is requesting that the Board grant a temporarily abandoned status for the following wells for one year from the date of this Order, or until the next regularly scheduled meeting of the Board following said one year period because these wells have future utility and should not be ordered plugged:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
2324-B	George Radcliff 30-6 #1	Sec. 30, T1S, R1W
5436	Early Neese 13-12 #1	Sec. 13, T1S, R2W
2085	International Paper Co. 14-6#1	Sec. 14, T1S, R2W
3376	J. A. Smith 15-13 #1	Sec. 15, T1S, R2W
2295-GI-00-1	George Radcliff, et al. 19-11 #2	Sec. 19, T1S, R1W
3496-GI-82-3	I.P.C. 25-4 #1	Sec. 25, T1S, R2W
3193-GI-81-2	E. L. Maples 24-16 #1	Sec. 24, T1S, R2W
10500	Arthur Outlaw 35-13 #1	Sec. 35, T1S, R2W
3191-GI-81-1	M.C. Stallworth Unit 23-13 #1	Sec. 23, T1S, R2W.

Further, Petitioner is requesting that the Class II permits for the following wells be extended for one year from the date of this Order, or until the next regularly scheduled meeting of the Board following said one year period:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
2295-GI-00-1	George Radcliff, et al. 19-11 #2	Sec. 19, T1S, R1W
3496-GI-82-3	I.P.C. 25-4 #1	Sec. 25, T1S, R2W
3193-GI-81-2	E. L. Maples 24-16 #1	Sec. 24, T1S, R2W
3191-GI-81-1	M.C. Stallworth Unit 23-13 #1	Sec. 23, T1S, R2W.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-28

6. DOCKET NO. 12-12-06-19

Continued petition by LOWER 15 OIL CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, without the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced from the Joseph W. Hutchinson, Jr., et al #1 Well, Permit No. 1431, located on a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of Section 7, Township 10 North, Range 3 West, Choctaw County, Alabama, in the Gilbertown Oil Field.

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

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

**BOARD ACTION:** Continued 3-2-07

7. DOCKET NO. 1-31-07-4

Continued petition by MAYNE & MERTZ, 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 a 320-acre unit for the Jones Trust 21-4 No. 1 Well consisting of the South Half of the Southwest Quarter of Section 16, the South Half of the Southeast Quarter of Section 17, the North Half of the Northeast Quarter of Section 20, and the North Half of the Northwest Quarter of Section 21, all in Township 1 North, Range 9 East, Escambia County, Alabama, in the Jernigan Mill Creek Field as an exception to Rule 3(a) of the Special Field Rules for said Field which requires, in part, that wells in said Field be located on units consisting of two contiguous governmental quarter sections containing approximately 320 contiguous acres.

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

**BOARD ACTION:** Continued 3-2-07

8. DOCKET NO. 1-31-07-5

Continued 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 enter an order amending Rule 1 of the Special Field Rules for the North Smiths Church Field, Escambia County, Alabama, to add the Southeast Quarter of the Southeast Quarter and the South Half of the Northeast Quarter of the Southeast Quarter of Section 23, Township 3 North, Range 7 East to the field limits of said Field.

This petition is filed as a companion to a petition bearing Docket No. 1-31-07-6 requesting reformation of the 160-acre unit for the Odom 24-14 No. 1 Well, Permit No. 14201-B, to a 220-acre unit.

**BOARD ACTION:** Continued 3-2-07 to a Special Board Meeting at 1:00 p.m. on March 22, 2007, at the Law Office of Gaines C. McCorquodale, 226 Commerce Street, Jackson, Alabama

9. DOCKET NO. 1-31-07-6

Continued 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 enter an order reforming a 160-acre unit for the Odom 24-14 No. 1 Well, Permit No. 14201-B, consisting of the Southwest Quarter of Section 24, Township 3 North, Range 7 East, Escambia County, Alabama, in the North Smiths Church Field, to a 220-acre unit consisting of the Southwest Quarter of said Section 24 and the Southeast Quarter of the Southeast Quarter and the South Half of the Northeast Quarter of the Southeast Quarter of Section 23, all in Township 3 North, Range 7 East, Escambia County, Alabama, in accordance with the 50% tolerance allowed by Section 9-17-12 (b) of the Code of Alabama 1975, as amended.

Section 9-17-12(b) of the Code of Alabama 1975, as amended, authorizes the Board to grant units in excess of 160 acres when it is demonstrated that one well can efficiently and economically drain the proposed area and that a larger unit is justified because of technical, economic, environmental or safety considerations, or other reasons deemed valid by the Board. Said 220-acre unit would be an exception to Rule 3(a) of the Special Field Rules for the North Smiths Church Field, which provides for 160-acre governmental units.

This petition is filed as a companion to petition bearing Docket No. 1-31-07-5 requesting an amendment to Rule 1 of the Special Field Rules for the North Smiths Church Field to add parcels to the field limits of said Field.

**BOARD ACTION:** Continued 3-2-07 to a Special Board Meeting at 1:00 p.m. on March 22, 2007, at the Law Office of Gaines C. McCorquodale, 226 Commerce Street, Jackson, Alabama

10. DOCKET NO. 1-31-07-8

Continued petition by LOWER 15 OIL CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order terminating the unitization of the East Gilbertown Eutaw Unit consisting of the Southeast Quarter and the East Half of the Southwest Quarter of Section 1, Township 10 North, Range 3 West, and the Southwest Quarter of the Southwest Quarter of Section 6, Township 10 North, Range 2 West, all in Choctaw County, Alabama, in the Gilbertown Oil Field.

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

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

**BOARD ACTION:** Continued 3-2-07

11. DOCKET NO. 2-28-07-1

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 12-06-708 Well, Permit No. 14078-C, from an 80-acre unit consisting of the South Half of the Northwest Quarter of Section 12, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Northwest Quarter of said Section 12.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-29

12. DOCKET NO. 2-28-07-2

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 12-12-710 Well, Permit No. 14077-C, from an 80-acre unit consisting of the North Half of the Southwest Quarter of Section 12, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southwest Quarter of said Section 12.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-30

13. DOCKET NO. 2-28-07-3

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 14-08-743 Well, Permit No. 14100-C, from an 80-acre unit consisting of the East Half of the Northeast Quarter of Section 14, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Northeast Quarter of said Section 14.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-31

14. DOCKET NO. 2-28-07-4A

Amended petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 23-14-780 Well, Permit No. 14226-C from an 80-acre unit consisting of the South Half of the Southwest Quarter of Section 23, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Southwest Quarter of said Section 23.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-32

15. DOCKET NO. 2-28-07-5

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 27-02-948 Well, Permit No. 14244-C, from an 80-acre unit consisting of the North Half of the Northeast Quarter of Section 27, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of said Section 27.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-33

16. DOCKET NO. 2-28-07-6

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 27-10-951 Well, Permit No. 14274-C, from an 80-acre unit consisting of the Southwest Quarter of the Northeast Quarter and the Northwest Quarter of the Southeast Quarter of Section 27, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southeast Quarter of said Section 27.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-34

17. DOCKET NO. 2-28-07-7

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 11-10-713 Well, Permit No. 14080-C, from an 80-acre unit consisting of the North Half of the Southeast Quarter of Section 11, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southeast Quarter of said Section 11.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-35

18. DOCKET NO. 2-28-07-8

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 11-16-716 Well, Permit No. 14104-C, from an 80-acre unit consisting of the South Half of the Southeast Quarter of Section 11, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of said Section 11.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-36

19. DOCKET NO. 2-28-07-9

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 14-02-740 Well, Permit No. 14088-C, from an 80-acre unit consisting of the West Half of the Northeast Quarter of Section 14, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of said Section 14.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-37

20. DOCKET NO. 2-28-07-10

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Price 14-16-1052 Well, Permit No. 14243-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 14, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of said Section 14.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-38

21. DOCKET NO. 2-28-07-11

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Price 13-14-739 Well, Permit No. 14219-C, from an 80-acre unit consisting of the South Half of the Southwest Quarter of Section 13, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Southwest Quarter of said Section 13.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-39

22. DOCKET NO. 2-28-07-12

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 35-10-840 Well, Permit No. 14642-C, from an 80-acre unit consisting of the West Half of the Southeast Quarter of Section 35, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southeast Quarter of said Section 35.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-40

23. DOCKET NO. 2-28-07-13

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Boone 36-06-1043 Well, Permit No. 13718-C, from a 40-acre unit consisting of the Southeast Quarter of the Northwest Quarter of Section 36, Township 17 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to an 80-acre unit consisting of the South Half of the Northwest Quarter of said Section 36.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-41

24. DOCKET NO. 2-28-07-14

Petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jolen 35-16-843 Well, Permit No. 14639-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 35, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of said Section 35.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-42

25. DOCKET NO. 2-28-07-15

Petition by SUNDOWN ENERGY LP, a foreign limited partnership, 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 the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced from the re-entry of the James M. Cole 17-12 #1 Well, Permit No. 2870, to be completed on a 320-acre unit consisting of the West Half of Section 17, Township 16 South, Range 15 West, Lamar County, Alabama, in the Star Field.

The referenced well was previously permitted and drilled on a 320-acre unit consisting of the South Half of said Section 17, but was plugged and abandoned on January 28, 1980.

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 3-2-07  
ORDER NO. 2007-43

26. DOCKET NO. 2-28-07-16

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 90-21-08-27-09 #1172 Well, Permit No. 9344-C, from an 80-acre unit consisting of the Southeast Quarter of the Northeast Quarter and the Northeast Quarter of the Southeast Quarter of Section 27, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 27.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-44

27. DOCKET NO. 2-28-07-17

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-26-04 #1153 Well, Permit No. 6664-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 26, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northwest Quarter of said Section 26.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-45

28. DOCKET NO. 2-28-07-18

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-26-03 #1154 Well, Permit No. 6769-C, from an 80-acre unit consisting of the East Half of the Northwest Quarter of Section 26, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Northwest Quarter of said Section 26.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-46

29. DOCKET NO. 2-28-07-19A

Amended petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-26-02 #1155 Well, Permit No. 6737, from an 80-acre unit consisting of the West Half of the Northeast Quarter of Section 26, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of said Section 26.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-47

30. DOCKET NO. 2-28-07-20

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-07-19-13 #1145 Well, Permit No. 6799-C, from an 80-acre unit consisting of the West Half of the Southwest Quarter of Section 19, Township 21 South, Range 7 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Southwest Quarter of said Section 19.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-48

31. DOCKET NO. 2-28-07-21

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-24-09 #1140 Well, Permit No. 6768-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 24, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 24.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-49

32. DOCKET NO. 2-28-07-22

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-24-15 #1146 Well, Permit No. 6800-C, from an 80-acre unit consisting of the West Half of the Southeast Quarter of Section 24, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Southeast Quarter of said Section 24.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-50

33. DOCKET NO. 2-28-07-23

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Devant-Taurus 90-21-08-23-12 #1135 Well, Permit No. 7679-C, from an 80-acre unit consisting of the West Half of the Southwest Quarter of Section 23, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southwest Quarter of said Section 23.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-51

34. DOCKET NO. 2-28-07-24

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-22-16 #1150 Well, Permit No. 6670-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 22, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of said Section 22.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-52

35. DOCKET NO. 2-28-07-25

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-22-08 #1134 Well, Permit No. 6746-C, from an 80-acre unit consisting of the South Half of the Northeast Quarter of Section 22, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Northeast Quarter of said Section 22.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07  
ORDER NO. 2007-53

36. DOCKET NO. 2-28-07-26

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-23-04 #1118 Well, Permit No. 6765-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of Section 23, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Northwest Quarter of said Section 23.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-54

37. DOCKET NO. 2-28-07-27

Petition by ENERGEN RESOURCES CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the GSPC-Taurus 89-21-08-14-06 #1109 Well, Permit No. 6946-C, from an 80-acre unit consisting of the East Half of the Northwest Quarter of Section 14, Township 21 South, Range 8 West, Tuscaloosa County, Alabama, in the Cedar Cove Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Northwest Quarter of said Section 14.

Although Petitioner requests the Board to eliminate certain lands from the present spacing unit, Petitioner proposes to drill another coalbed methane well in the lands proposed to be eliminated.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-55

38. DOCKET NO. 2-28-07-28

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 enter an order approving an exceptional surface location and proposed exceptional bottom hole location for the Godwin 14-3 No. 1 Well to be drilled on unit containing approximately 652 acres consisting of Section 14, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field, as an exception to Rule 3(b) of the Special Field Rules for said Field which requires that wells be located at least 1,320 feet from every exterior boundary of the drilling unit. The surface location for the referenced well will be 2,055 feet from the West line and 585 feet from the North line with a proposed bottom hole location 2,200 feet from the West line and no closer than 330 feet from the North line of said Section 14 and, as such, will be an exception to said Rule 3(b).

This petition is filed as a companion to a petition bearing Docket No. 2-28-07-29 requested the forced pooling, with imposition of a risk compensation fee, of all tracts and interests in hydrocarbons produced in the referenced well.

**BOARD ACTION:** Continued 3-2-07

39. DOCKET NO. 2-28-07-29

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 enter an order force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from the Smackover Formation from Petitioner's proposed Godwin 14-3 No. 1 Well to be drilled on a unit containing approximately 652 acres, consisting of Section 14, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field.

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

This petition is filed as a companion to a petition bearing Docket No. 2-28-07-28 requesting approval of an exceptional location for the referenced well.

**BOARD ACTION:** Continued 3-2-07

40. DOCKET NO. 2-28-07-30

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 enter an order approving an exceptional surface location and proposed exceptional bottom hole location for the Edwards 13-1 No. 1 Well to be drilled on a 640-acre unit consisting of Section 13, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field, as an exception to Rule 3(b) of the Special Field Rules for said Field which requires that wells be located at least 1,320 feet from every exterior boundary of the drilling unit. The surface location for the referenced well will be 900 feet from the North line and 450 feet from the East line with a proposed bottom hole location no closer than 330 feet from the East line and no closer than 330 feet from the North line of said Section 13 and, as such, will be an exception to said Rule 3(b).

**BOARD ACTION:** Continued 3-2-07

41. DOCKET NO. 2-28-07-31

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 enter an order approving an exceptional surface location and proposed bottom hole location for the Manning 4-9 No. 1 Well to be drilled on a 640-acre unit consisting of Section 4, Township 1 North, Range 7 East, Escambia County, Alabama, in the Big Escambia Creek Field, as an exception to Rule 3(b) of the Special Field Rules for said Field, which requires that wells be located at least 1,320 feet from every exterior boundary of the drilling unit. The surface location for the referenced well will be 1,502 feet from the South line and 404 feet from the East line and the proposed bottom hole location will be no closer than 330 feet from the East line and 1,502 feet from the South line of said Section 4 and, as such, will be an exception to said Rule 3(b).

**BOARD ACTION:** Continued 3-2-07 to a Special Board Meeting at 1:00 p.m. on March 22, 2007, at the Law Office of Gaines C. McCorquodale, 226 Commerce Street, Jackson, Alabama

42. DOCKET NO. 2-28-07-32

Petition by NATURAL GAS & OIL, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from formations of Mississippian and Pennsylvanian Age, from a well to be drilled on a 320-acre drilling unit consisting of the South Half of Section 14, Township 16 South, Range 15 West, Lamar County, Alabama, as a productive extension of the Mt. Zion Field.

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

**BOARD ACTION:** Continued 3-2-07

43. DOCKET NO. 2-28-07-33

Petition by BAY GAS STORAGE COMPANY, LTD. ("Petitioner"), an Alabama limited partnership whose general partner is Energy South Storage Services, Inc., an Alabama corporation, requesting that the State Oil and Gas Board of Alabama ("Board") enter an order: approving the underground storage of gas by Petitioner in a cavity to be created in a salt dome, said cavity and related equipment to be located in the SW 1/4 of the SW 1/4 of Section 37, T4N, R1E, Washington County, Alabama; designating the horizontal and vertical boundaries of the "Bay Gas Salt Dome Gas Storage Facility #4 at McIntosh" (or such other name as may be deemed appropriate by the Board) including a buffer zone which will extend into the NW 1/4 of Section 29, T3N, R1E, Washington County, Alabama; promulgating Special Gas Storage Rules for said facility and the operation thereof; and designating Petitioner as the storage operator for said facility thereby authorizing Petitioner to exercise the rights and authorities of such operator including operating rights and condemnation authority, all as authorized by and in accordance with the provisions of Ala. Code Sections 9-17-150 et seq. (and in particular Section 9-17-152) and State Oil and Gas Board of Alabama Administrative Code Rules 400-6-1 et seq. The public is invited to attend this meeting and to present to the Board their position concerning these matters.

**BOARD ACTION:** Continued 3-2-07

44. DOCKET NO. 2-28-07-34A

Amended petition by CARRIZO OIL & GAS, INC., a Texas corporation, qualified to do and doing business in the State of Alabama requesting the Board to enter an order approving as an exceptional location the bottom hole location for the Black Stone - Callon 9-9 No.1 well, Permit No. 14976-B, on a wildcat unit consisting of the Southeast quarter (SE1/4) of Section 9, Township 3 North, Range 6 East, Escambia County, Alabama, the bottom hole location of said well being located 1,747 feet from the South line of the unit and approximately 634 feet from the East line of the unit. The bottom hole location will be an exception to Rule 400-1-2-.02 of the State Oil and Gas Board of Alabama Administrative Code which states that wells in a 160-acre unit be located at least 660 feet from every exterior boundary of the unit. The Petitioner avers that the permitted bottom hole location for the well was 1,718 feet from the South line of said Section 9, and 689 feet from the East line of said Section 9.

This request was previously approved on an emergency basis by Order No. E-2007-17 issued on February 2, 2007.

**BOARD ACTION:** Granted 3-2-07

ORDER NO. 2007-56

45. DOCKET NO. 4-30-03-7

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to consider issuing an order for Vintage Petroleum, Inc., Hunt Refining Company, and Pruet Production Company to clean up and remove the oil on the lands of Lois Ezell and the adjoining pipeline right-of-way located in Section 29, Township 11 North, Range 3 West, Choctaw County, Alabama. Vintage Petroleum, Inc., operates the Ezell 29-5 Well, Permit No. 1844, on the lands of Lois Ezell, and certain oil pipelines on the pipeline right-of-way adjoining the lands of Lois Ezell. Hunt Oil Company operates an oil pipeline on the pipeline right-of-way adjoining the lands of Lois Ezell. Pruet Production Company operates a natural gas pipeline and a salt-water pipeline on the pipeline right-of-way adjoining the lands of Lois Ezell. The jurisdiction and authority of the Board is set forth in Section 9-17-1 et seq. of the Code of Alabama (1975), as amended.

**BOARD ACTION:** Continued 3-2-07

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

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

East Gilbertown Eutaw Unit Wells & Tank Batteries

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

Other Well

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

Plugged and Abandoned well (well site not restored)

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

**BOARD ACTION:** Continued 3-2-07

47. DOCKET NO. 1-31-07-12

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to amend Rule 400-3-8-.03 of the State Oil and Gas Board of Alabama Administrative Code relating to the Protection of Underground Sources of Drinking Water during the Hydraulic Fracturing of Coal Beds so as to revise the filing, evaluation, approval, and operational requirements contained therein. In 2005, Congress amended the Safe Drinking Water Act, 42 U.S.C. Sec. 300h to exclude from the application of the Act “the underground injection of fluids or propping agents (other than diesel fuel) pursuant to hydraulic fracturing operations related to oil, gas, or geothermal production activities.” 42 U.S.C. Sec. 300h(d)(1). Therefore, in its Motion the Board proposes to exclude hydraulic fracturing from the regulatory requirements of the Class II Underground Injection Control Program that is being administered by the State Oil and Gas Board.

**BOARD ACTION:** Continued 3-2-07