

RESULTS
STATE OIL AND GAS BOARD OF ALABAMA
BOARD MEETING
AUGUST 26 & 28, 2008

1. DOCKET NO. 3-12-08-5

Continued petition by WHITE TAIL EXPLORATION, L.L.C., an Alabama limited liability company, requesting the State Oil and Gas Board to enter an order extending the temporarily abandoned status for the William Smith 9-2 #1 Well, Permit No. 12180, located on a 40-acre wildcat drilling unit consisting of West Half of the Northwest Quarter of the Northeast Quarter and the East Half of the Northeast Quarter of the Northwest Quarter of Section 9, Township 23 North, Range 14 East, Chilton County, Alabama, in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 8-28-08 with the stipulation that the well either be tested and confirmed as a producing well or operations be commenced for plugging and abandonment of the well by March 1, 2009.

ORDER NO. 2008-119

2. DOCKET NO. 4-14-08-7A

Continued amended petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order approving an exception to Rule 3(b) of the Special Field Rules for the Coal Fire Creek Field, Pickens County, Alabama, for the exceptional location of the Cunningham 16-12 #2 Well, Permit No. 5881. Petitioner proposes to re-enter and complete said well on a 320-acre unit consisting of the West Half of Section 16, Township 18 South, Range 14 West, Pickens County, Alabama, at a location 2,300 feet from the South line and 330 feet from the West line of said Section 16. Said Rule 3(b) requires that wells drilled in said Field be located at least 660 feet from every exterior boundary of the drilling unit, and the proposed location of the referenced well is only 330 feet from the West line of the 320-acre drilling unit for said well.

In the proposed re-entry, Petitioner desires to test the Benton Sand Gas Pool as defined in the Special Field Rules for the Coal Fire Creek Field and also test the Tuscomb and Millerella Sands. Excluded from the re-entry tests are the Carter, Lewis and Fayette Sand Gas Pools. There are two producing wells in the said West Half of Section 16, one producing from the Lewis Sand Gas Pool and another producing from the Fayette Sand Gas Pool with one well in the Carter Sand Gas pool that is no longer producing.

BOARD ACTION: Continued 8-28-08

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

Continued petition by DURANGO OPERATING, LLC, a Mississippi limited liability company, authorized to do business in the State of Alabama, requesting the State Oil and Gas Board to enter an order classifying the following wells all located in the Foshee Field, Escambia County, Alabama, as temporarily abandoned for a period of one (1) year:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
5213	A.T.I.C. 34-9 #1	S34, T2N-R8E
5335	Culpepper 34-7 #1	S34, T2N-R8E
5167	A.T.I.C. 35-13 #2	S35, T2N-R8E
5062-A	A.T.I.C. 35-14 #1	S35, T2N-R8E

Said wells are temporarily abandoned. Petitioner is requesting the Board to classify said wells as temporarily abandoned for a period of one (1) year in accordance with Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code because all of the wells have future utility in Durango Operating, LLC's operations in Foshee Field, Escambia County, Alabama and should not be plugged.

BOARD ACTION: Granted 8-28-08 with the stipulation that the temporarily abandoned status for the wells be extended for six months or to the next regularly scheduled meeting of the Board following the expiration of the six-month period.

ORDER NO. 2008-120

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

Continued petition by DURANGO OPERATING, LLC, a Mississippi limited liability company, authorized to do business in the State of Alabama, requesting the State Oil and Gas Board to enter an order classifying the Cedar Creek Land and Timber Co. 12-9 #1, Permit # 8685, located in Section 12, Township 1 North, Range 8 East in Osaka Field, Escambia County, Alabama, as temporarily abandoned for a period of one (1) year:

Said well is temporarily abandoned. Petitioner is requesting the Board to classify said well as temporarily abandoned for a period of one (1) year in accordance with Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code because said well has future utility in Durango Operating, LLC’s operations in Osaka Field, Escambia County, Alabama and should not be plugged.

BOARD ACTION: Granted 8-28-08 with the stipulation that the temporarily abandoned status for the well be extended for six months or to the next regularly scheduled meeting of the Board following the expiration of the six-month period.

ORDER NO. 2008-121

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

Continued petition by DURANGO OPERATING, LLC, a Mississippi limited liability company, authorized to do business in the State of Alabama, requesting the State Oil and Gas Board to enter an order classifying the R. E. Loper et al 12-11 #1, Permit # 2885, located in Section 12, Township 1 North, Range 8 East in Pollard Field, Escambia County, Alabama, as temporarily abandoned for a period of one (1) year:

Said well is temporarily abandoned. Petitioner is requesting the Board to classify said well as temporarily abandoned for a period of one (1) year in accordance with Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code because said well has future utility in Durango Operating, LLC’s operations in Pollard Field, Escambia County, Alabama and should not be plugged.

BOARD ACTION: Granted 8-28-08 with the stipulation that the temporarily abandoned status for the well be extended for six months or to the next regularly scheduled meeting of the Board following the expiration of the six-month period.

ORDER NO. 2008-122

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

Continued petition by DURANGO OPERATING, LLC, a Mississippi limited liability company, authorized to do business in the State of Alabama, requesting the State Oil and Gas Board to enter an order classifying the following wells all located in West Foshee Field, Escambia County, Alabama, as temporarily abandoned for a period of one (1) year:

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
5475	A.T.I.C. 33-7 #3	S33, T2N-R8E
5359	A.T.I.C. 33-8 #1	S33, T2N-R8E
5528	A.T.I.C. Container 33-3 #1	S33, T2N-R8E

Said wells are temporarily abandoned. Petitioner is requesting the Board to classify said wells as temporarily abandoned for a period of one (1) year in accordance with Rule 400- 1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code because all of the wells have future utility in Durango Operating, LLC’s operations in West Foshee Field, Escambia County, Alabama

BOARD ACTION: Granted 8-28-08 with the stipulation that the temporarily abandoned status for the wells be extended for six months or to the next regularly scheduled meeting of the Board following the expiration of the six-month period.

ORDER NO. 2008-123

7. DOCKET NO. 6-16-08-6

Continued petition by SHELL OFFSHORE INC. (“Shell”) a corporation authorized to do and doing business in the State of Alabama and Devon Energy Production Company, L.P. (“Devon”), an Oklahoma limited partnership, requesting the State Oil and Gas Board to grant approval of the commingling of State and federal natural gas streams. Devon is the operator of Mobile Area Block 826 OCS G-26176 Well Number 001, from which federal gas resources will be commingled with State gas resources originating from Shell’s Fairway Field, Mobile County, Alabama. The point the commingling will occur will be the Mobile Bay Platform 113A, downstream of Shell’s Fairway Field gas allocation meter. Petitioners aver that the processing of the federal gas resources will not change or affect Shell’s current State allocation and reporting methodology. 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: Continued 8-28-08

8. DOCKET NO. 6-16-08-16B

Continued amended petition by BENJAMIN V. COODY, d/b/a Pete's Pumping Service, 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 Eula Jones #1 Well, Permit No. 1288, located on a 40-acre unit consisting of the Northeast Quarter of the Southwest Quarter of Section 2, Township 10 North, Range 3 West, Choctaw County, Alabama, in the Gilberttown 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: Granted 8-28-08 with the stipulation (1) that the operator increase the well bond from \$5,000 to \$50,000 prior to commencing operations to activate the well and (2) that at the December 11, 2008, Board meeting, on a Motion of the State Oil and Gas Board, operator Benjamin V. Coody, dba Pete's Pumping Service should present evidence that the well is sustaining commercial production of oil.

ORDER NO. 2008-124

9. DOCKET NO. 7-29-08-1A

Continued amended petition by HIGHMOUNT 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 force pooling, with a risk compensation penalty, all tracts and interests in hydrocarbons produced from coalbeds in the Pottsville Formation in the Braughton 32-15-1159 Well to be drilled on a 40-acre unit consisting of the Southwest Quarter of the Southeast Quarter of Section 32, 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 8-28-08

10. DOCKET NO. 7-29-08-7A

Continued amended 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 granting an extension of the requirement contained in Board Order No. 2007-115, issued on August 3, 2007, that by July 2008 Petitioner commence operations to sidetrack the Hatter's Pond Unit 34-10 #1 ST Well, Permit No. 2735-B-GI-93-1, located in Section 34, Township 1 South, Range 1 West, Mobile County, Alabama, in the Hatter's Pond Unit, to establish production or commence operations to plug and abandon the well. Since the issuance of Board Order No. 2007-115, the UIC Permit for the well has been cancelled and assigned Permit No. 2735-B.

Petitioner avers that it had delays with reservoir modeling which have recently been resolved and, due to the delays, needs additional time to evaluate the future utility of said well. Therefore, Petitioner requests an additional six-month extension of the temporarily abandoned status for said well in accordance with Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 8-28-08 that the temporarily abandoned status for well be extended for six months or until the next regularly scheduled meeting of the Board following the expiration of the six-month period.

ORDER NO. 2008-125

11. DOCKET NO. 7-29-08-8A

Amended petition by SOUTH CARLTON OPERATING COMPANY, 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 amending Rule 2 of the Special Field Rules for the South Carlton Field, Clarke and Baldwin Counties, Alabama, to define the Eutaw Formation and Upper Tuscaloosa as a single oil pool to be known as the "Eutaw-Upper Tuscaloosa Sand Oil Pool" and to add said oil pool to the field. The Eutaw-Upper Tuscaloosa Sand Oil Pool consists of those strata between the top of the Eutaw Formation and base of the Upper Tuscaloosa which occurs in the interval between the depths of 4,394 feet and 5,263 feet (measured depths) as depicted by the Dual Induction - Lateralog for the Bernice Wall Barbour et al No. 3-16 Well in the South Carlton Field (Permit No. 2154), the surface location of which is 566 feet from the South line and 1,891 feet from the East line of Section 3 of Township 3 North, Range 2 East, Clarke County, Alabama,

and all zones in communication therewith and all productive extensions thereof, including those strata which can be correlated therewith. This petition also requests that Rule 3 of the Special Field Rules be amended to establish forty (40) acre spacing for the Eutaw-Upper Tuscaloosa Sand Oil Pool.

The current Special Field Rules for the South Carlton Field define only the Pilot-Massive Sand Oil Pool. The Pilot-Massive Sand Oil Pool was unitized pursuant to Order No. 2005-107 issued by the State Oil and Gas Board of Alabama. The proposed Eutaw-Upper Tuscaloosa Sand Oil Pool is separate and distinct from the Pilot-Massive Sand Oil Pool.

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

The jurisdiction of the State Oil and Gas Board of Alabama is set out in Section 9-17-1 et seq. of the Code of Alabama (1975). The Board may take any action it deems appropriate to ensure that the wells are operated properly and in accordance with Alabama oil and gas laws.

BOARD ACTION: Granted 8-28-08 with the stipulation that prior to completing wells in a non-unitized pool in the South Carlton Field that the operator comply with the provisions in Article 16 of the Unit Operating Agreement addressing abandonment of wells.

ORDER NO. 2008-126

12. DOCKET NO. 7-29-08-9A

Amended petition by SOUTH CARLTON OPERATING COMPANY, 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 authorizing the recompletion of the Bernice Wall Barbour et al No. 10-1 Well in the South Carlton Field (Permit No. 2165-B) in the Eutaw-Upper Tuscaloosa Sand Oil Pool and approving the Northeast Quarter of the Northeast Quarter of Section 10 of Township 3 North, Range 2 East, Clarke County, Alabama, as the Eutaw-Upper Tuscaloosa Sand Oil Pool unit for this well. Petitioner is also requesting the Board to approve the location of the proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool in the wellbore of said well as an exception to Rule 3(b) of the Special Field Rules for said field which requires that wells be located at least 330 feet from every exterior boundary of the drilling unit. This well was directionally drilled to a total depth of approximately 5,850 feet from a surface location 566 feet from the South line and 1,903 feet from the East line of Section 3 of Township 3 North, Range 2 East, Clarke County, Alabama, to a bottomhole location 457 feet from the North line and 682 feet from the East line of said Section 10.

South Carlton Operating Company, LLC desires to recomplete the Bernice Wall Barbour et al No. 10-1 Well in the Eutaw-Upper Tuscaloosa Sand Oil Pool by adding perforations to the wellbore of said well at a depth no shallower than 4672 feet as measured on the log of said well. The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool may be as close as 218 feet to the North exterior boundary line of the above-described Eutaw-Upper Tuscaloosa Sand Oil Pool unit and, as such, will be an exception to said Rule 3(b). The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool will be at least 330 feet from all other exterior boundary lines of said Eutaw-Upper Tuscaloosa Sand Oil Pool unit.

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

The jurisdiction of the State Oil and Gas Board of Alabama is set out in Section 9-17-1 et seq. of the Code of Alabama (1975). The Board may take any action it deems appropriate to ensure that the wells are operated properly and in accordance with Alabama oil and gas laws.

BOARD ACTION: Granted 8-28-08

ORDER NO. 2008-127

13. DOCKET NO. 7-29-08-10A

Amended petition by SOUTH CARLTON OPERATING COMPANY, 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 authorizing the recompletion of the Bernice Wall Barbour et al No. 10-2 Well in the South Carlton Field (Permit No. 2166-B) in the Eutaw-Upper Tuscaloosa Sand Oil Pool and approving the Northwest Quarter of the Northeast Quarter of Section 10 of Township 3 North, Range 2 East, Clarke County, Alabama, as the Eutaw-Upper Tuscaloosa Sand Oil Pool unit for this well. Petitioner is also requesting the Board to approve the location of the proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool in the wellbore of said well as an exception to Rule 3(b) of the Special Field Rules for said field which requires that wells be located at least 330 feet from every exterior boundary

of the drilling unit. This well was directionally drilled to a total depth of approximately 5,703 feet from a surface location 566 feet from the South line and 1,915 feet from the East line of Section 3 of Township 3 North, Range 2 East, Clarke County, Alabama, to a bottomhole location 565 feet from the North line and 2,017 feet from the East line of said Section 10.

South Carlton Operating Company, LLC desires to recomplate the Bernice Wall Barbour et al No. 10-2 Well in the Eutaw-Upper Tuscaloosa Sand Oil Pool by adding perforations to the wellbore of said well at a depth no shallower than 4508 feet as measured on the log of said well. The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool may be as close as 216 feet to the North exterior boundary line of the above-described Eutaw-Upper Tuscaloosa Sand Oil Pool unit and, as such, will be an exception to said Rule 3(b). The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool will be at least 330 feet from all other exterior boundary lines of said Eutaw-Upper Tuscaloosa Sand Oil Pool unit.

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

The jurisdiction of the State Oil and Gas Board of Alabama is set out in Section 9-17-1 et seq. of the Code of Alabama (1975). The Board may take any action it deems appropriate to ensure that the wells are operated properly and in accordance with Alabama oil and gas laws.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-128

14. DOCKET NO. 7-29-08-11A

Amended petition by SOUTH CARLTON OPERATING COMPANY, 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 authorizing the recompletion of the Bernice Wall Barbour et al No. 10-3 Well in the South Carlton Field (Permit No. 2152-B) in the Eutaw-Upper Tuscaloosa Sand Oil Pool and approving the Northeast Quarter of the Northwest Quarter of Section 10 of Township 3 North, Range 2 East, Clarke County, Alabama, as the Eutaw-Upper Tuscaloosa Sand Oil Pool unit for this well. Petitioner is also requesting the Board to approve the location of the proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool in the wellbore of said well as an exception to Rule 3(b) of the Special Field Rules for said field which requires that wells be located at least 330 feet from every exterior boundary of the drilling unit. This well was directionally drilled to a total depth of approximately 5,848 feet from a surface location 566 feet from the South line and 1,927 feet from the East line of Section 3 of Township 3 North, Range 2 East, Clarke County, Alabama, to a bottomhole location 362 feet from the North line and 2,064 feet from the West line of said Section 10.

South Carlton Operating Company, LLC desires to recomplate the Bernice Wall Barbour et al No. 10-3 Well in the Eutaw-Upper Tuscaloosa Sand Oil Pool by adding perforations to the wellbore of said well at a depth no shallower than 4616 feet as measured on the log of said well. The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool may be as close as 264 feet to the North exterior boundary line and 237 feet to the East exterior boundary line of the above-described Eutaw-Upper Tuscaloosa Sand Oil Pool unit and, as such, will be an exception to said Rule 3(b). The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool will be at least 330 feet from the South and West exterior boundary lines of said Eutaw-Upper Tuscaloosa Sand Oil Pool unit.

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

The jurisdiction of the State Oil and Gas Board of Alabama is set out in Section 9-17-1 et seq. of the Code of Alabama (1975). The Board may take any action it deems appropriate to ensure that the wells are operated properly and in accordance with Alabama oil and gas laws.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-129

15. DOCKET NO. 7-29-08-12A

Amended petition by SOUTH CARLTON OPERATING COMPANY, 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 authorizing the recompletion of the Wall No. 3-14 Well in the South Carlton Field (Permit No. 2153) in the Eutaw-Upper Tuscaloosa Sand Oil Pool and approving the following-described land as the Eutaw-Upper Tuscaloosa Sand Oil Pool unit for this well. Petitioner is also requesting the Board to approve the location of the proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool in the wellbore of said well as an

exception to Rule 3(b) of the Special Field Rules for said field which requires that wells be located at least 330 feet from every exterior boundary of the drilling unit. The Eutaw-Upper Tuscaloosa Sand Oil Pool unit for this well is proposed to consist of the following-described land, to-wit:

Commencing at the Southeast corner of said Section 3 of Township 3 North, Range 2 East, Clarke County, Alabama; thence North 89 degrees 45 minutes 16 seconds West along the South line of said Section 3 for 2,643.38 feet to the Point of Beginning; Thence continue North 89 degrees 45 minutes 16 seconds West along the South line of said Section 3 for 1,321.69 feet; thence North 00 degrees 23 minutes 24 seconds East for 1,307.58 feet; thence South 89 degrees 46 minutes 16 seconds East for 1,321.69 feet; thence South 00 degrees 23 minutes 24 seconds West for 1,307.97 feet, more or less, to the Point of Beginning, containing 39.68 acres, more or less.

This well was directionally drilled to a total depth of approximately 6,070 feet from a surface location 566 feet from the South line and 1,951 feet from the East line of Section 3 of Township 3 North, Range 2 East, Clarke County, Alabama, to a bottomhole location 803 feet from the South line and 1,901 feet from the West line of said Section 3.

South Carlton Operating Company, LLC desires to recomplete the Wall et al No. 3-14 Well in the Eutaw-Upper Tuscaloosa Sand Oil Pool by adding perforations to the wellbore of said well at a depth no shallower than 4,562 feet as measured on the log of said well. The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool may be as close as 207 feet to the East exterior boundary line of the above-described Eutaw-Upper Tuscaloosa Sand Oil Pool unit and, as such, will be an exception to said Rule 3(b). The proposed perforations in the Eutaw-Upper Tuscaloosa Sand Oil Pool will be at least 330 feet from all other exterior boundary lines of said Eutaw-Upper Tuscaloosa Sand Oil Pool unit.

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

The jurisdiction of the State Oil and Gas Board of Alabama is set out in Section 9-17-1 et seq. of the Code of Alabama (1975). The Board may take any action it deems appropriate to ensure that the wells are operated properly and in accordance with Alabama oil and gas laws.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-130

16. DOCKET NO. 8-26-08-1A

Amended petition by SKLAR EXPLORATION COMPANY, LLC, a Louisiana limited liability company authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an order amending Rule 1 of the Special Field Rules for the Little Cedar Creek Field to add the following described parcels to the field limits of said field: the Southwest Quarter of Section 33, Township 5 North, Range 13 East and the Northeast Quarter of Section 4, Township 4 North, Range 13 East, Conecuh County, Alabama. This petition is filed pursuant to Ala. Code Sections 9-17-1, et seq. and Rules 400-1, et seq. of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-131

17. DOCKET NO. 8-26-08-2

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 establishing permanent allowables for the Mayne & Mertz, Inc. Cox 5-10 No. 1 Well, Permit No. 15069-B in the West Catawba Springs Field, Escambia County, Alabama, in accordance with Rule 7 of the Special Field Rules for said field.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-132

18. DOCKET NO. 8-26-08-3

Petition by HUGHES EASTERN CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order amending Rule 1 of the Special Field Rules for the Bluff Field to add Sections 7 and 18, Township 14 South, Range 13 West, Fayette County, Alabama to the field.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-4 requesting approval of an exceptional 320-acre unit for the Allman 17-4 #2 Well and a petition bearing Docket No. 8-26-08-5 requesting approval of an exceptional location for the referenced well on the above-described 320-acre drilling unit.

BOARD ACTION: Continued 8-28-08

19. DOCKET NO. 8-26-08-4

Petition by HUGHES EASTERN CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving a 320-acre drilling unit for the Allman 17-4 #2 Well consisting of the Northwest Quarter of Section 17 and the Northeast Quarter of Section 18, all in Township 14 South, Range 13 West, Fayette County, Alabama, in the Bluff Field, as an exception to Rule 3(a) of the Special Field Rules for said Field which provides that a well may be drilled on a drilling unit consisting of 320 contiguous surface acres in a north-south or east-west unit within governmental half sections.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-3 requesting an amendment to the Special Field Rules for the Bluff Field to add Sections 7 and 18, Township 14 South, Range 13 West, Fayette County, Alabama, to the field limits of said Field and a petition bearing Docket No. 8-26-08-5 requesting approval of an exceptional location for the referenced well on the above-described 320-acre drilling unit.

BOARD ACTION: Continued 8-28-08

20. DOCKET NO. 8-26-08-5

Petition by HUGHES EASTERN CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving an exceptional location for the proposed Allman 17-4 #2 Well as an exception to Rule 3(b) of the Special Field Rules for the Bluff Field, Fayette and Lamar Counties, Alabama. Petitioner proposes to drill said well on a 320-acre unit consisting of the Northwest Quarter of Section 17 and the Northeast Quarter of Section 18, all in Township 14 South, Range 13 West, Fayette County, Alabama, at a location 1,830 feet from the East line and 330 feet from the North line of said 320-acre drilling unit. Said Rule 3(b) requires that wells drilled in said Field be located at least 660 feet from every exterior boundary of the drilling unit, and the proposed location will be an exception to said Rule.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-3 requesting an amendment to the Special Field Rules for the Bluff Field to add Sections 7 and 18, Township 14 South, Range 13 West, Fayette County, Alabama, to the field limits of said Field and a petition bearing Docket No. 8-26-08-4 requesting approval of an exceptional 320-acre unit for the Allman 17-4 #2 Well.

BOARD ACTION: Continued 8-28-08

21. DOCKET NO. 8-26-08-6

Petition by EXXON MOBIL CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving an exception to Rule 400-2-4-.09(4) of the State Oil and Gas Board of Alabama Administrative Code pertaining to blow-out prevention equipment and the frequency of testing said equipment for the proposed State Lease 538 (Tract 115) No. 3 Well in the North Central Gulf Field-Mobile Area, Mobile and Baldwin Counties, Alabama.

BOARD ACTION: Granted 8-28-08

ORDER NO. 2008-133

22. DOCKET NO. 8-26-08-7

Petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order rescinding Board Orders 97-154 and 98-85 that force pooled, with imposition of the risk compensation fee, all tracts and interests in the Pennsylvanian and Mississippian age strata in a 320-acre unit consisting of the West Half of Section 16, Township 18 South, Range 14 West, Pickens County, Alabama, in the Coal Fire Creek Field. The Board in Order No. 97-154, issued on December 19, 1997, force pooled interests for the re-entry of the Jabsco Oil LLC Carpenter/Shirley 16-3 #1 Well, Permit No. 4637-A. The Board in Order No. 98-85, issued on July 24, 1998, force pooled interests for the drilling of the Gulf States Paper 16-6 #1 Well, Permit No. 11459. Petitioner seeks to have said Orders rescinded in order to allow Petitioner to re-enter the Cunningham 16-12 # 2 Well, Permit No. 5881 and attempt to complete a well in either the Tuscumbia or Millerella Sands.

BOARD ACTION: Continued 8-28-08

23. DOCKET NO. 8-26-08-8

Petition by BLACK WARRIOR METHANE CORPORATION, an Alabama corporation, requesting the State Oil and Gas Board to enter an order re-assuming jurisdiction and authority over the following described wells in the Brookwood Coal Degasification Field, Tuscaloosa County, Alabama:

<u>Well Name</u>	<u>Permit No.</u>	<u>Location</u>
Shook #35-15-10	4354-CG	S35-T19S-R8W
Shook #35-13-16	5366-CG	S35-T19S-R8W.

At the request of Petitioner, the Board entered Order No. 94-95 on June 24, 1994, relinquishing and terminating jurisdiction and authority over certain wells in the Brookwood Coal Degasification Field including the above-referenced wells, based upon evidence that none of the wells was producing gas at the time nor were they expected to produce in the future. Said Order required Petitioner to plug and abandon these wells when they were no longer useful for mine safety or utility reasons. Due to the installation of a Nitrogen Recovery Unit that will take non-pipeline quality gas and recover non-combustible gas from the full well stream thus rendering otherwise non-marketable gas marketable, Petitioner is now requesting the Board to re-assume jurisdiction and authority over the above-described wells.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-134

24. DOCKET NO. 8-26-08-9

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 the unit for the ATIC 17-4 No. 1 Well, Permit No. 15554-B, from a 40-acre wildcat drilling unit consisting of the Northwest Quarter of the Northwest Quarter of Section 17, Township 3 North, Range 7 East, Escambia County, Alabama, to a 160-acre unit consisting of the North Half of the Northwest Quarter of Section 17 and the South Half of the Southwest Quarter of Section 8, all in Township 3 North, Range 7 East, Escambia County, Alabama, in the Robinson Creek Field, as an exception to Rule 3(a) of the Special Field Rules for said Field which requires that wells be drilled on governmental quarter sections.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-10 requesting an amendment to Rule 1 of the Special Field Rules for the Robinson Creek Field to add the South Half of the Southwest Quarter of Section 8, Township 3 North, Range 7 East, Escambia County, Alabama, to the Field.

BOARD ACTION: Continued 8-28-08

25. DOCKET NO. 8-26-08-10

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 Robinson Creek Field to add the South Half of the Southwest Quarter of Section 8, Township 3 North, Range 7 East, Escambia County, Alabama to the field limits of said field.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-9 requesting reformation of the 40-acre wildcat unit for the ATIC 17-4 No. 1 Well, Permit No. 15554-B, to a 160-acre unit in the Robinson Creek Field.

BOARD ACTION: Continued 8-28-08

26. DOCKET NO. 8-26-08-11A

Amended petition by BWNR, 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 Weyerhaeuser No. 2-43-2402 Well, Permit No. 15075-B, from a 160-acre wildcat drilling unit consisting of the Southeast Quarter of Section 2, Township 24 North, Range 2 East, Greene County, Alabama, to a 40-acre unit consisting of the Southwest Quarter of the Southeast Quarter of said Section 2. The drilling unit is being reformed due to the fact that Petitioner no longer intends to drill a horizontal well on the described 160-acre wildcat drilling unit, electing instead to complete and test produce the shale formations through the vertical wellbore.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-135

27. DOCKET NO. 8-26-08-12

Petition by ROBINSON'S BEND OPERATING II, 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 reforming the unit for the Maxwell Crossing B11 11-3 #626 Well, Permit No. 8185-C, from an 80-acre unit consisting of the East Half of the Northwest Quarter of Section 11, Township 22 South, Range 11 West, Tuscaloosa County, Alabama, in the Robinson's Bend Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Northwest 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 8-28-08
ORDER NO. 2008-136

28. DOCKET NO. 8-26-08-13A

Amended petition by ROBINSON'S BEND OPERATING II, 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 reforming the unit for the Banks #8-13-305 Well, Permit No. 8602-C, from an 80-acre unit consisting of the West Half of the Southwest Quarter of Section 8, Township 22 South, Range 11 West, Tuscaloosa County, Alabama, in the Robinson's Bend Coal Degasification Field to a 40-acre unit consisting of the Southwest Quarter of the Southwest Quarter of said Section 8.

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 8-28-08
ORDER NO. 2008-137

29. DOCKET NO. 8-26-08-14

Petition by ROBINSON'S BEND OPERATING II, 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 reforming the unit for the Maxwell Crossing B11 14-1 #648 Well, Permit No. 8803-C, from an 80-acre unit consisting of the North Half of the Northeast Quarter of Section 14, Township 22 South, Range 11 West, Tuscaloosa County, Alabama, in the Robinson's Bend Coal Degasification Field to a 40-acre unit consisting of the Northeast 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 8-28-08 with the stipulation that consent be obtained from Louise Palmer or on her behalf by a qualified representative.
ORDER NO. 2008-138

30. DOCKET NO. 8-26-08-15A

Amended petition by VANTAGE ENERGY BLACK WARRIOR, 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 320-acre wildcat drilling unit for the proposed Westervelt 7-8 No. 1H Well consisting of the Southeast Quarter of Section 6 and the Northeast Quarter of Section 7, all in Township 21 South, Range 15 West, Pickens County, Alabama, as an exception to Rule 400-1-2-.02(2)(c) of the State Oil and Gas Board of Alabama Administrative Code, which provides that a well may be drilled in search of gas on a drilling unit consisting of a governmental half section containing approximately 320 acres.

Petitioner proposes to drill a horizontal well with a surface location 670 feet from the East line and 730 feet from the South line of the 320-acre wildcat drilling unit and drill directionally in a northwesterly direction to a point of entry into the Floyd Shale at a location 875 feet from the East line and 1,294 feet from the South line of said 320-acre wildcat drilling unit. The well will then be drilled horizontally in the Floyd Shale to a bottom hole location 739 feet from the West line and 1,167 feet from the North line of said 320-acre wildcat drilling unit. The point of entry or heel and the bottom hole location or toe will be no closer than 660 feet from every exterior boundary of the 320-acre wildcat drilling unit. The proposed horizontal well in the Floyd Shale will be approximately 3,000 feet in length and will be near the Exum Trust 6-16 #1 Well, Permit No. 14065, that is located on a 40-acre wildcat unit consisting of the Southeast Quarter of the Southeast Quarter of said Section 6 and will be used as a monitor well during the completion, testing and production of the proposed Westervelt 7-8 No. 1H

Well. The Exum Trust 6-16 #1 Well will not be used as a production well.

BOARD ACTION: Granted 8-28-08

ORDER NO. 2008-139

31. DOCKET NO. 8-26-08-16A

Amended petition by VANTAGE ENERGY BLACK WARRIOR, 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 320-acre wildcat drilling unit for the proposed Ballard 3-10 No. 1H Well consisting of the Southeast Quarter of Section 3 and the Northeast Quarter of Section 10, all in Township 22 South, Range 16 West, Pickens County, Alabama, as an exception to Rule 400-1-2-.02(2)(c) of the State Oil and Gas Board of Alabama Administrative Code, which provides that a well may be drilled in search of gas on a drilling unit consisting of a governmental half section containing approximately 320 acres.

Petitioner proposes to drill a horizontal well with a surface location 340 feet from the North line and 615 feet from the West line of the 320-acre wildcat drilling unit and drill directionally in a southeastern direction to a point of entry into the Floyd Shale at a location 904 feet from the North line and 820 feet from the West line of the wildcat drilling unit. The well will then be drilled horizontally in the Floyd Shale to a bottom hole location 794 feet from the East line and 1,557 feet from the South line of said 320-acre wildcat drilling unit. The point of entry or heel and the bottom hole location or toe will be no closer than 660 feet from every exterior boundary of the 320-acre wildcat drilling unit. The proposed horizontal well in the Floyd Shale will be approximately 3,000 feet in length and will be near the Parker 3-16 #1 Well, Permit No. 14371, that is located on a 40-acre wildcat unit consisting of the Southeast Quarter of the Southeast Quarter of said Section 3 and will be used as a monitor well during the completion, testing and production of the proposed Ballard 3-10 No. 1H Well. The Parker 3-16 #1 Well will not be used as a production well.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-17 requesting forced pooling, with imposition of a risk compensation penalty.

BOARD ACTION: Granted 8-28-08

ORDER NO. 2008-140

32. DOCKET NO. 8-26-08-17

Petition by VANTAGE ENERGY BLACK WARRIOR, 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 Floyd Shale in the Ballard 3-10 No. 1H Well to be drilled on a 320-acre wildcat drilling unit consisting of the Southeast Quarter of Section 3 and the Northeast Quarter of Section 10, all in Township 22 South, Range 16 West, Pickens 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 bearing Docket No. 8-26-08-16 requesting approval of an exceptional 320-acre wildcat drilling unit for the referenced well as an exception to Rule 400-1-2-.02(2)(c) of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 8-28-08

ORDER NO. 2008-141

33. DOCKET NO. 8-26-08-18A

Amended petition by VANTAGE ENERGY BLACK WARRIOR, 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 320-acre wildcat drilling unit for the proposed Walsh 6-11 No. 1H Well consisting of the East Half of the Southwest Quarter and West Half of the Southeast Quarter of Section 6 and the East Half of the Northwest Quarter and West Half of the Northeast Quarter of Section 7, all in Township 22 South, Range 14 West, Pickens County, Alabama, as an exception to Rule 400-1-2-.02(2)(c) of the State Oil and Gas Board of Alabama Administrative Code, which provides that a well may be drilled in search of gas on a drilling unit consisting of a governmental half section containing approximately 320 acres.

Petitioner proposes to drill a horizontal well with a surface location 340 feet from the North line and 1,225 feet from the West line of the 320-acre wildcat drilling unit and drill directionally in a southeastern direction to a point of entry into the Floyd Shale at a location 931 feet from the North line and 1,311 feet from the East line of said 320-acre wildcat drilling unit. The well will then be drilled horizontally in the Floyd Shale to a bottom hole location 793 feet from the East line and 1,394 feet from the South line of said 320-acre wildcat drilling unit. The point of entry or heel and the bottom hole location or toe will be no closer than 660 feet from every exterior boundary of the 320-acre wildcat drilling unit. The proposed horizontal well in the Floyd Shale will be approximately 3,000 feet in length and will be near the O'Bryant 6-15 #1 Well, Permit No. 14045, that is located on a 40-acre wildcat unit consisting of the Southwest Quarter of the Southeast Quarter of said Section 6 and will be used as a monitor well during the completion, testing and production of the proposed Walsh 6-11 No. 1H Well. The O'Bryant 6-15 #1 Well will not be used as a production well.

This petition is filed as a companion to a petition bearing Docket No. 8-26-08-19 requesting forced pooling, with imposition of a risk compensation penalty.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-142

34. DOCKET NO. 8-26-08-19A

Amended petition by VANTAGE ENERGY BLACK WARRIOR, 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 Floyd Shale in the Walsh 6-11 No. 1H Well to be drilled on a 320-acre wildcat drilling unit consisting of the East Half of the Southwest Quarter and West Half of the Southeast Quarter of Section 6 and the East Half of the Northwest Quarter and West Half of the Northeast Quarter of Section 7, all in Township 22 South, Range 14 West, Pickens 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 bearing Docket No. 8-26-08-18 requesting approval of an exceptional 320-acre wildcat drilling unit for the referenced well as an exception to Rule 400-1-2-.02(2)(c) of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 8-28-08 (amended petition to drop risk compensation)
ORDER NO. 2008-143

35. DOCKET NO. 8-26-08-20

Petition by EL PASO E & P COMPANY, L.P., a Delaware limited partnership, 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 the Pottsville formation in an 80-acre drilling unit for the proposed Finnell Heirs 23-16-333 Well, having a unit consisting of all of the East Half of the Southeast Quarter, Section 23, Township 19 South, Range 10 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: Dismissed 8-28-08
ORDER NO. 2008-144

36. DOCKET NO. 8-26-08-21

Petition by EL PASO E & P COMPANY, L.P., a Delaware limited partnership, 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 the Pottsville formation in an 80-acre drilling unit for the proposed Finnell Heirs 24-11-334 Well, having a unit consisting of all of the East Half of the Southwest Quarter, Section 24, Township 19 South, Range 10 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: Dismissed 8-28-08
ORDER NO. 2008-145

37. DOCKET NO. 8-26-08-22

Petition by EL PASO E & P COMPANY, L.P., a Delaware limited partnership, 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 the Pottsville formation in an 80-acre drilling unit for the proposed Finnell Heirs 24-15-337 Well, having a unit consisting of all of the West Half of the Southeast Quarter, Section 24, Township 19 South, Range 10 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: Dismissed 8-28-08
ORDER NO. 2008-146

38. DOCKET NO. 8-26-08-23A

Amended petition by EL PASO E & P COMPANY, L.P., a Delaware limited partnership, 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, all tracts and interests in coalbed methane produced from the Pottsville formation in an 80-acre drilling unit for the proposed CLC 12-09-28 Well, Permit No. 15560-C, having a unit consisting of all of the East Half of the Southeast Quarter, Section 12, Township 17 South, Range 5 West, Jefferson County, Alabama in the Short Creek Coal Degasification Field. In April of 2008, Petitioner drilled and completed the CLC 12-09-28 Well as a productive coalbed methane well. This petition is in accordance with Section 9-17-13, ALABAMA CODE (1975), as amended, and Rules 400-7-1 and 400-7-2 of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-147

39. DOCKET NO. 8-26-08-24A

Amended petition by SPOONER PETROLEUM COMPANY, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an order establishing a new oil field in Escambia County, Alabama, to be named the East Lambeth Church Field, or such other name as the Board deems proper, and to adopt Special Field Rules therefor. The proposed field, as underlain by the Washita-Fredricksburg Sand 7500' Oil Pool, consists of the Southeast Quarter and the West Half of Section 3 and the Northeast Quarter of Section 4, Township 1 North, Range 8 East and the South Half of the Southeast Quarter of Section 33, Township 2 North, Range 8 East, Escambia County, Alabama.

The Washita-Fredricksburg Sand 7500' Oil Pool in said field is defined as those strata productive of hydrocarbons between the interval of 7505 feet (TVD) (-7248 feet Subsea TVD) and 7514 feet (TVD) (-7257 feet Subsea TVD) as indicated on the HDIL Log for the Spooner Petroleum Company – Chavers 3-11 No. 1 Well, Permit No. 15385, and all zones in communication therewith and all productive extensions thereof.

Petitioner requests well spacing of 40 acres and also requests the establishment of allowables for said field. Additionally, Petitioner requests that the drilling unit consisting of the South Half of the Northeast Quarter of the Southwest Quarter and the North Half of the Southeast Quarter of the Southwest Quarter of Section 3, Township 1 North, Range 8 East, be approved as the production unit for the Spooner Petroleum Company – Chavers 3-11 No. 1 Well.

BOARD ACTION: Granted 8-28-08
ORDER NO. 2008-148

40. 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 8-28-08 until the November 6, 2008, Board meeting.

41. DOCKET NO. 1-31-07-8A

Continued MOTION FOR REHEARING by LOWER 15 OIL CORPORATION, pursuant to the Alabama Administrative Procedure Act, Section 42-22-1 et seq. of the Code of Alabama (1975) requesting that the Board, upon rehearing, will modify or set aside its order related to its decision entered as Order No. 2007-97 on June 15, 2007, regarding a petition by Lower 15 Oil Corporation. The application for rehearing relates to the petition bearing the docket number set forth hereinabove.

BOARD ACTION: Denied 8-28-08
ORDER NO. 2008-149

42. DOCKET NO. 8-2-07-7

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, Cedarhill Operating Co., L.L.C., to show cause why the following abandoned wells located in the Gilbertown Field and Bucatunna Creek 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 and Tank Batteries

<u>Permit No.</u> (Tank Battery No.)	<u>Well Name</u> (Tank Battery)	<u>Location</u>
11476 (11476 TB)	Boney 33-8 #1 (Boney 33-8 #1)	S33, T11N, R4W S33, T11N, R4W
3038	Bonner Merritt #35-5	S35, T11N, R5W
3078	Davis #34-8	S34, T11N, R5W
3470	Merritt #34-1	S34, T11N, R5W
4241	Land et al 34-2 #2	S34, T11N, R5W

(3038 TB)	(Bonner Merritt #35-5)	S34, T11N, R5W
11464 (11464 TB)	Merritt 35-4 #1 (Merritt 35-4 #1)	S35, T11N, R5W S35, T11N, R5W
2862-AB	Land Brothers 36-5 #2	S36, T11N, R5W
2930-AB	Land 36-6 #1	S36, T11N, R5W
13646-BH	Davis 35-7 #1	S35, T11N, R5W
13755-BH	Triad 36-7 #1	S36, T11N, R5W
(2862-AB TB)	(Land Brothers 36-5 #2)	S36, T11N, R5W

Bucatanna Creek Underground Injection Control Well

2753-B-SWD-80-1 Johnson 14-14#1 S14, T11N, R5W

BOARD ACTION: Continued 8-28-08 to the December 11, 2008, Board meeting.

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

MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, Daybreak Oil and Gas, Inc., 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
3094	Long #5-5	S5, T10N, R3W
4231	Kingree #5-12	S5, T10N, R3W
(102 TB)	(Carolyn Moseley #1)	S5, T10N, R3W
271	F. A. Adams et al #1	S6, T10N, R3W
(258 TB)	(Cooper Wigham # 1)	S6, T10N, R3W
3469	Smith Trice #34-10	S34, T11N, R4W
(3469 TB)	(Smith Trice #34-10)	S34, T11N, R4W

Gilbertown Field Well (non-unitized) with no tanks or salt water disposal well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
3096	Steve Scruggs #32-10	S32, 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
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BOARD ACTION: Continued 8-28-08 to the November 6, 2008, Board meeting.