

RESULTS OF MEETING
STATE OIL AND GAS BOARD OF ALABAMA
FEBRUARY 12, 2013

The State Oil and Gas Board of Alabama held its regular hearing at 10:00 a.m. on Tuesday, February 12, 2013, in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama.

1. DOCKET NO. 10-23-12-01A

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

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

Petitioner further requests that the Smackover oil pool in the proposed Southeast Wallace Field be defined as those strata of the Smackover formation productive of hydrocarbons in the interval between 13,672 feet and 13,704 feet MD in the Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-B, with a surface location of 671 feet FNL and 2,190 feet FWL of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama, as defined by the Platform Express Log for the Well, including all strata that can be correlated therewith, all zones in communication therewith and all productive extensions thereof.

Petitioner further requests spacing units of 160 contiguous surface acres and production allowables of 200 barrels of oil per day for wells drilled in the field.

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

This Petition is filed as a companion to a Petition requesting that the Board reform the 40-acre wildcat drilling unit for the Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-B, and approve and establish a 160-acre production unit for the Well consisting of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama.

BOARD ACTION: Continued, 2/14/2013.

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

Petition by ANKOR E&P HOLDINGS CORPORATION, a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to reform the 40-acre wildcat drilling unit for the Craft-Black Stone 19-3 No. 1 Well, Permit No. 16533-B (the "Well"), to a 160-acre production unit.

Petitioner proposes to reform the 40-acre wildcat drilling unit for the Well consisting of the Northeast Quarter of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama, to a 160-acre production unit consisting of the Northwest Quarter of Section 19, Township 3 North, Range 9 East, Escambia County, Alabama.

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

This Petition is filed as a companion to a Petition requesting that the Board establish a new oil field in Escambia County, Alabama, to be known as the "Southeast Wallace Field," which will encompass the proposed 160-acre production unit for the Well.

BOARD ACTION: Continued, 2/14/2013.

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

Petition by SKLAR EXPLORATION COMPANY L.L.C. requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling, without risk compensation, all tracts and interests in the Southeast Quarter of Section 5, Township 3 North, Range 12 East, Escambia County, Alabama, as a 160-acre wildcat unit for the purpose of drilling a well to test formations down to and including the Smackover and Norphlet formations, (b) requiring all owners of tracts and interests in said unit to develop their tracts and interests as a unit, and (c) appointing Petitioner as the operator of said unit. This petition is filed pursuant to Sections 9-17-1, *et seq.* Ala. Code (1975) (and, in particular, Section 9-17-13, as amended) and Rules 400-1, *et seq.* (and, in particular, Rule 400-7-1 *et seq.*) of the State Oil and Gas Board of Alabama Administrative Code.

BOARD ACTION: Continued, 2/14/2013.

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

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

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

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

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

BOARD ACTION: Continued, 2/14/2013.

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

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

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

Petitioner further requests that the definition of the Smackover Oil Pool as defined in the Special Field Rules for the already existing South Wallace Field be re-defined to accurately depict the area of the Smackover Oil Pool.

BOARD ACTION: Continued, 2/14/2013.

6. DOCKET NO. 12-11-12-06

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

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

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

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

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

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

BOARD ACTION: Continued, 2/14/2013.

7. DOCKET NO. 12-11-12-10C

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order pursuant to Sections 9-17-1 through 9-17-33 and 9-17-80 through 9-17-88, *Code of Alabama* (1975) approving and establishing a partial field-wide Unit, to be known as Unit VI-B for the production of coalbed methane gas from Gob and Horizontal wells only from a previously underground mining area consisting of the hereinafter described "Unit Area" in the Oak Grove Coal Degasification Field, Tuscaloosa and Jefferson Counties, Alabama, and requiring the operation of said Unit Area as a single Unit for the production of coalbed methane gas produced from Gob and Horizontal wells in order to avoid the drilling of unnecessary wells, increase the ultimate recovery of coalbed methane gas from underground mined areas by and through enhanced recovery methods from the Unitized Formation, as hereinafter defined, and avoid waste.

The "Unitized Formation" is to be designated as the Pottsville Coal Interval productive of coalbed methane gas by and through Gob and Horizontal wells only and excluding coalbed methane gas productive by and through vertical wells underlying the Unit Area, and is defined as the productive coal seams found between the depths of 440 feet and 2,059 feet as encountered in the USS-03-19-06-17-01-9061 Well, Permit No. 12871-C, located in Section 17, Township 19 South, Range 6 West, Jefferson County, Alabama, as indicated on the Gamma Ray High Resolution Density Log for said well, and all zones in communication therewith and all productive extensions thereof, including any coal seam stringer that might occur within a depth of either 80 feet above or 80 feet below the Pottsville Coal Interval, and including those coal seams which can be correlated therewith and that can be developed and produced only through Gob and Horizontal wells.

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

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

The proposed Unit Area, to be designated Unit VI-B, containing approximately 12,080 acres, more or less, consists of the following described parcels located in Jefferson and Tuscaloosa Counties, Alabama:

JEFFERSON COUNTY:

Township 18 South, Range 6 West

All of Section 31; Southwest Quarter and Southwest Quarter of Northwest Quarter of Section 32

Township 19 South, Range 6 West

West Half; West Half of East Half; Southeast Quarter of Northeast Quarter and Northeast Quarter of Southeast Quarter of Section 5; All of Sections 6 and 7; West Half and West Half of Southeast Quarter of Section 8; West Half of West Half of Section 16; All of Sections 17, 18, 19 and 20; West Half, Southeast Quarter and Southwest Quarter of Northeast Quarter of Section 21; Southwest Quarter of Southwest Quarter of Section 22; West Half of Section 27; All of Sections 28 and 29; North Half of Section 30; North Half of Section 32; All of Section 33, less and except Southeast Quarter of Southeast Quarter; Northwest Quarter of Section 34

Township 19 South, Range 7 West

All of Sections 1, 12 and 13

TUSCALOOSA COUNTY:

Township 19 South, Range 6 West

East Half and East Half of West Half of Section 31 and South Half of Section 32.

BOARD ACTION: Granted, 2/14/2013.

ORDER NO: 2013-01.

8. DOCKET NO. 12-11-12-11C

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order pursuant to Sections 9-17-1 through 9-17-33 and 9-17-80 through 9-17-88, *Code of Alabama* (1975) approving and establishing a partial field-wide Unit, to be known as Unit VI-C for the production of coalbed methane gas from Gob and Horizontal wells only from a previously underground mining area consisting of the hereinafter described "Unit Area" in the Oak Grove Coal Degasification Field, Tuscaloosa and Jefferson Counties, Alabama, and requiring the operation of said Unit Area as a single Unit for the production of coalbed methane gas produced from Gob and Horizontal wells in order to avoid the drilling of unnecessary wells, increase the ultimate recovery of coalbed methane gas from underground mined areas by and through enhanced recovery methods from the Unitized Formation, as hereinafter defined, and avoid waste.

The "Unitized Formation" is to be designated as the Pottsville Coal Interval productive of coalbed methane gas by and through Gob and Horizontal wells only and excluding coalbed methane gas productive by and through vertical wells underlying the Unit Area, and is defined as the productive coal seams found between the depths of 421 feet and 1,969 feet as encountered in the UA 04-19-07-02-12-9134 Well, Permit No. 13829-C, located in Section 2, Township 19 South, Range 7 West, Jefferson County, Alabama, as indicated on the Gamma Ray High Resolution Density Log for said well, and all zones in communication therewith and all productive extensions thereof, including any coal seam stringer that might occur within a depth of either 80 feet above or 80 feet below the Pottsville Coal Interval, and including those coal seams which can be correlated therewith.

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

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

The proposed Unit Area, to be designated Unit VI-C, containing approximately 4,240 acres, more or less, consists of the following described parcels located in Tuscaloosa and Jefferson Counties, Alabama:

JEFFERSON COUNTY:

Township 19 South, Range 7 West

All of Section 2; East Half of Southeast Quarter of Section 3 and all of Section 11

TUSCALOOSA COUNTY:

Township 19 South, Range 7 West

Southwest Quarter and West Half of Southeast Quarter of Section 3; Southeast Quarter of Section 4; all of Sections 8 and 9; West Half, Northeast Quarter and East Half of Southeast Quarter of Section 10; all of Section 14.

BOARD ACTION: Granted, 2/14/2013.

ORDER NO: 2013-02.

9. DOCKET NO. 12-11-12-13A

Petition by FLETCHER PETROLEUM CORP., a domestic 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 pursuant to Ala. Code § 9-17-1, *et seq.* (and in particular, Ala. Code § 9-17-13) and *State Oil and Gas Board of Alabama Administrative Code* Rules 400-1, *et seq.* (and, in particular, Rules 400-7-1 and 400-7-2), (a) force pooling without risk compensation all tracts and interests in the NE ¼ of Section 26, Township 4 North, Range 12 East, Conecuh County, Alabama, as a 160-acre wildcat unit for the purpose of drilling a well to test formations down to and including the Smackover formation, ("the Unit") (b) requiring all owners of tracts and interests in the Unit to develop their tracts and interests as a unit, and (c) appointing petitioner as the operator of the Unit.

BOARD ACTION: Granted, 2/14/2013.

ORDER NO: 2013-03.

10. DOCKET NO. 02-12-13-01

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming the unit for the Chevron 12-12-178 Well, Permit No. 12039-C, from an 80-acre production unit consisting of the West Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field, to an 80-acre production unit consisting of the North Half of the Southwest Quarter of said Section 12.

BOARD ACTION: Continued, 2/14/2013.

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

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming the unit for the Chevron 12-14-179 Well, Permit No. 12027-C, from an 80-acre production unit consisting of the East Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field, to an 80-acre production unit consisting of the South Half of the Southwest Quarter of said Section 12.

BOARD ACTION: Continued, 2/14/2013.

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

Petition by WALTER BLACK WARRIOR BASIN LLC, a foreign limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming the unit for the Chevron 12-13-1177 Well, Permit No. 15982-C, from an 80-acre production unit consisting of the West Half of the Southwest Quarter of Section 12, Township 17 South, Range 9 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field, to an 80-acre production unit consisting of the South Half of the Southwest Quarter of said Section 12.

BOARD ACTION: Continued, 2/14/2013.

13. DOCKET NO. 02-12-13-04

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

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

BOARD ACTION: Continued, 2/14/2013.

14. DOCKET NO. 02-12-13-05

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

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

BOARD ACTION: Continued, 2/14/2013.

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

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

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

BOARD ACTION: Continued, 2/14/2013.

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

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

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

BOARD ACTION: Continued, 2/14/2013.

17. DOCKET NO. 02-12-13-08

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 extending the temporarily abandoned status and the Class II UIC permit for the Lassiter 4-10 #1 Well, Permit No. 11767-WI-00-1, a water injection well in Covington County, Alabama, in the East Haynesville Sand Oil Unit in the North Rome Field, in accordance with Rules 400-1-4-.17(1) and 400-4-2-.01(5) of the *State Oil and Gas Board of Alabama Administrative Code*.

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

BOARD ACTION: Granted, 2/14/2013.

ORDER NO: 2013-04.

18. DOCKET NO. 02-12-13-09A

Petition by Venture Oil & Gas, Inc., a foreign corporation authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board of Alabama to enter an order establishing a new oil field in Escambia County, Alabama, to be named the Pond Creek Field, or such other name as the Board deems proper, and to adopt Special Field Rules therefor. The proposed field, as underlain by the Smackover Oil Pool, consists of the Southwest Quarter of Section 1, Township 2 North, Range 6 East, Escambia County, Alabama.

The Smackover Oil Pool in said field is defined as those strata productive of hydrocarbons between the interval of 15,181 feet (MD) and 15,230 feet (MD) as indicated on the Platform Express Array Induction/GR/SP/MLT/Density/Neutron/Sonic Log for the Black Stone 1-12 No. 1 Well, Permit No.16710, located in the Southwest Quarter of Section 1, Township 2 North, Range 6 East, Escambia County, Alabama and all zones in communication therewith and all productive extensions thereof.

Petitioner requests well spacing of 160 acres and also requests the establishment of allowables for said field. Additionally, Petitioner requests that the 160-acre drilling unit for the Black Stone 1-12 No. 1 Well, Permit No.16710, consisting of the Southwest Quarter of Section 1, Township 2 North, Range 6 East be approved as the permanent production unit for that Well.

BOARD ACTION: Granted, 2/14/2013.

ORDER NO: 2013-05.

19. DOCKET NO. 02-12-13-10

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

restored to their original condition. Petitioner further requested such other action as the Board deems appropriate before the Board's scheduled meeting on February 12 and 14, 2013, in Tuscaloosa, Alabama.

BOARD ACTION: Continued, 2/14/2013.

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

MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA requesting Operator, S. Lavon Evans Jr., Operating Co., Inc., to show cause why the following wells located in Tuscaloosa, Lamar, Pickens, and Jefferson Counties, Alabama, and described hereinbelow should not be ordered plugged and abandoned in accordance with Rule 400-1-4-.14 of the State Oil and Gas Board of Alabama Administrative Code relating to Plugging and Abandonment of Wells and the well sites and associated tank battery sites restored in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code relating to Restoration of Location.

The Board may consider, as a part of this Motion, that the proceeds from the surety bond be utilized to plug and abandon wells and restore well sites.

Failure of the operator to comply with the Board's rules, regulations, and orders may result in the Board's issuing fines or taking other sanctions against operator, S. Lavon Evans Jr., Operating Co., Inc.

County Line Field Well, Pickens Co.

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

SE Watson Field Wells, Lamar Co.

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

Wiley Dome Field Wells, Lamar Co.

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

Lamar County Wildcats

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

Tuscaloosa County Wildcats

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

13711

Alawest 1-12 #2

S1, T18S, R9W

Jefferson County Wildcat

Permit No.

13389

Well Name

U.S. Steel Corporation 21-13 #1

Location

S21, T19S, R5W

BOARD ACTION: Continued, 2/14/2013.