

RESULTS
STATE OIL AND GAS BOARD OF ALABAMA
SPECIAL HEARING
JANUARY 12, 2007

The State Oil and Gas Board of Alabama will hold a Special Hearing Officer Hearing at 10:00 a.m. on Friday, January 12, 2007, in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama, to consider among other items the following petition(s):

1. DOCKET NO.12-12-06-12

Continued petition by DE SOTO OIL & GAS, INC., a Florida 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 Scott Paper Company 2-1 No. 2 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 Scott Paper Company 2-1 No. 2 Well, which is comprised of the entire Section 2, Township 1 North, Range 6 East, Big Escambia Creek Field, Escambia County, Alabama.

This Petition is a companion to Docket No. 12-12-06-13 in which Petition requests approval of force pooling of the interest in the Scott Paper Company 2-1 No. 2 Well.

BOARD ACTION: Continued 01-12-07.

2. DOCKET NO. 12-12-06-13

Continued petition by DE SOTO OIL & GAS, INC., a Florida 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, with risk compensation, of all tracts and interests in a 640 acre drilling unit for the proposed Scott Paper Company 2-1 No. 2 Well, having a unit consisting of all of Section 2, Township 1 North, Range 6 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. 12-12-06-12 in which Petitioner requests approval of an exceptional location for bottom hole location of the Scott Paper Company 2-1 No. 2 Well.

BOARD ACTION: Continued 01-12-07.