

RESULTS
STATE OIL AND GAS BOARD OF ALABAMA
SPECIAL HEARING OFFICER MEETING
JANUARY 8, 2008

DOCKET NO. 12-12-07-38

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 3E, consisting of the hereinafter described "Unit Area" in the Brookwood Coal Degasification Field, Tuscaloosa County, Alabama, and requiring the operating of said Unit Area as a single unit in order to avoid the drilling of unnecessary wells, increase the efficiency of operations and improve the ultimate recovery of occluded natural gas from the Unitized Formation, as hereinafter defined, and avoid waste. The "Unitized Formation" is to be designated as the Pottsville Coal Interval and is defined as the productive coal seams found between the depths of 322 feet and 2,722 feet as encountered in the JWR 31-04-310 Well, Permit No. 12254-C, located in Section 31, Township 20 South, Range 7 West, Tuscaloosa County, Alabama, as indicated on the density log of 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 Brookwood 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 3E, containing approximately 160 acres, consists of the Northwest Quarter of Section 31, Township 20 South, Range 7 West, Tuscaloosa County, Alabama.

BOARD ACTION: Granted 1-11-08

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