

RESULTS
STATE OIL AND GAS BOARD OF ALABAMA
EMERGENCY HEARING OFFICER MEETING
JANUARY 23, 2008

DOCKET NO. 1-22-08-1

Emergency Petition by SouthView Operating LLC, a Delaware 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 staying Board Order 2007-162, issued on November 9, 2007, said Order having addressed Cedarhill Operating Co., L.L.C.'s operations. Petitioner has recently acquired Cedarhill Operating Co., L.L.C.'s interest in said salt water disposal well and needs additional time to conduct operations to restore the mechanical integrity of the Johnson 14-14 #1 saltwater disposal well, Permit No. 2753-B-SWD-80-1, located 1,000 feet FSL and 1,650 feet FWL of Section 14, Township 11 North, Range 5 West, Choctaw County, Alabama, in the Bucatunna Creek Field. Petitioner will move as expeditiously as possible to file for Change of Operatorship and secure the necessary equipment and manpower necessary to restore the mechanical integrity of said well.

The Board, in Order 2007-134, issued on September 7, 2007, ordered that Cedarhill Operating Co., L.L.C. restore the mechanical integrity of the Johnson 14-14 #1 Well by October 5, 2007. Subsequently, the Board, in Order 2007-162 issued November 9, 2007, ordered that in the event that Cedarhill Operating Co., L.L.C., fails to comply the Board Order 2007-134 by February 1, 2008, as the order relates to the Johnson 14-14 #1 Well, a fine shall commence beginning on February 2, 2008, of \$1,000 per day for each and every day that Cedarhill fails to comply with said order as it relates to the Johnson 14-14 #1 Well.

Petitioner having acquired Cedarhill Operating Co., L.L.C.'s rights, title and interests in the Johnson 14-14 #1 saltwater disposal well submits that said well has future utility and its intentions are to put the saltwater disposal well back in service. If those attempts are unsuccessful, then within said six months Petitioner will be responsible for properly plugging and abandoning said well in accordance with Rule 400-1-4-.14 of the State Oil and Gas Board of Alabama Administrative Code and restoring the location of the well in accordance with Rule 400-1-4-.16 of the State Oil and Gas Board of Alabama Administrative Code.

This matter is presented on an emergency basis in accordance with Section 9-17-7(c), Code of Alabama (1975) and Rule 400-7-1-.04 of the State Oil and Gas Board of Alabama Administrative Code due to the fact that Petitioner cannot restore the mechanical integrity of said well by the deadline of February 1, 2008, as imposed by Board Order 2007-162.\

BOARD ACTION: Granted on January 29, 2008, with respect to the Johnson 14-14 Well to stay Order No. 2007-162 until February 8, 2008, at which time the Board will reconsider the matter.

ORDER NO. E-2008-2