

RESULTS
STATE OIL AND GAS BOARD OF ALABAMA
BOARD MEETING
MARCH 12 & 14, 2008

1. DOCKET NO. 6-25-07-13

Continued 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 a 40 acre drilling unit for the proposed Calmes 02-05-554 Well, having a unit consisting of all of the Southwest Quarter of the Northwest Quarter, Section 2, Township 17 South, Range 8 West, Walker County, Alabama, in the White Oak 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. Petitioner requests that due and proper notice of the hearing on this matter be given in the manner and form and for the time required by law and the rules and regulations of this Board.

BOARD ACTION: Dismissed 3-14-08
ORDER NO. 2008-28

2. DOCKET NO. 8-2-07-6

Continued petition by LOWER 15 OIL CORPORATION, an Alabama corporation, 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 re-entry of the Mattie Clark #1 Well, Permit No. 1280, located on a 40-acre unit consisting of the Northwest Quarter of the Southeast Quarter of Section 1, Township 10 North, Range 3 West, Choctaw County, Alabama, in the Gilbertown 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: Dismissed 3-14-08
ORDER NO. 2008-29

3. DOCKET NO. 9-5-07-5

Continued petition by SUNDOWN ENERGY, L.P., a foreign limited partnership authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order approving the reformation of a 40-acre wildcat drilling unit for the Weyerhaeuser 36-12 No. 1 Well, Permit No. 15312, consisting of the Northwest Quarter of the Southwest Quarter of Section 36, Township 16 South, Range 16 West, Lamar County, Alabama, to a 320-acre production unit in the McGee Lake Field consisting of the South Half of Section 36, Township 16 South, Range 16 West, Lamar County, Alabama.

This petition is filed as a companion to a petition bearing Docket No. 9-5-07-06 requesting approval of an exceptional location for the referenced well.

BOARD ACTION: Continued 3-14-08

4. DOCKET NO. 9-5-07-6

Continued petition by SUNDOWN ENERGY, L.P., a foreign limited partnership 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 Weyerhaeuser 36-12 No. 1 Well, Permit No. 15312, on a proposed reformed 320-acre production unit consisting of the South Half of Section 36, Township 16 South, Range 16 West, Lamar County, Alabama, in the McGee Lake Field, as an exception to Rule 3(b) of the Special Field Rules for said Field which requires that wells be located at least 660 feet from every exterior boundary of the drilling unit. The location of the referenced well on said proposed reformed 320-acre unit is 910 feet from the North line and 330 feet from the West line of said 320-acre unit and, as such, will be an exception to said Rule 3(b).

This petition is filed as a companion to a petition bearing Docket No. 9-5-07-05 requesting approval of the reformation of a 40-acre wildcat drilling unit for the referenced well to a 320-acre production unit in the McGee Lake Field.

BOARD ACTION: Continued 3-14-08

5. DOCKET NO. 2-6-08-6A

Continued amended petition by JABSCO OIL OPERATING, LLC, an Alabama limited liability company, 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 re-entry of the Berry #24-13 Well, Permit No. 3115, located on a proposed 320-acre unit consisting of the West Half of Section 24, Township 15 South, Range 12 West, Fayette County, Alabama, in the Musgrove Creek 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: Taken under advisement on 3-14-08, and then continued on 4-7-08 to the next regularly scheduled meeting of the Board.

6. DOCKET NO. 2-6-08-11

Continued petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Jernigan 01-08-1069 Well, Permit No. 14513-C, from an 80-acre unit consisting of the East Half of the Northeast Quarter of Section 1, Township 18 South, Range 10 West, Tuscaloosa County, Alabama, in the Blue Creek Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Northeast Quarter of said Section 1.

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: Continued 3-14-08

7. DOCKET NO. 2-6-08-12A

Amended continued petition by DOMINION BLACK WARRIOR BASIN, INC., an Alabama corporation, d/b/a HighMount Exploration & Production LLC, requesting the State Oil and Gas Board to enter an order amending Rule 4C of the Special Field Rules for the Big Canoe Creek Field, St. Clair County, Alabama. The Board, in Order No. 2007-18, dated February 16, 2007, established the Big Canoe Creek Field and Special Field Rules for the field. Rule 4C of the Special Field Rules reads: "Within one (1) year, the operator of a well shall petition the Board for unitization, establishment of production units, or such other action as the Board may deem appropriate. The operator shall escrow production royalties until the Board establishes the ultimate production unit, after notice and hearing."

Petitioner does not have sufficient technical data to unitize or establish production units and is requesting an additional year to obtain sufficient data in order to evaluate fully this natural gas resource. Petitioner is requesting that the Board delete from Rule 4C the requirement for the operator to escrow production royalties until the Board establishes the ultimate production unit. By this request, Petitioner is seeking approval from the Board to distribute all escrowed production royalties to the appropriate royalty owners in the established 320-acre drilling units in the Big Canoe Creek Field.

BOARD ACTION: Taken under advisement on 3-14-08 and then on 4-11-08 in Order No. 2008-53 the Board ordered (1) that Petitioner be given until March 16, 2009, to evaluate the Conasauga Shale Gas Pool in the Big Canoe Creek Field in order to obtain sufficient data to unitize or establish production units, (2) that Petitioner continue to escrow production royalties from producing wells in the Big Canoe Creek Field until the Board establishes the ultimate production unit, after notice and hearing, (3) that Rule 4(c) of the Special Field Rules for the Big Canoe Creek Field be amended.

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

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the JWR 32-11-260 Well, Permit No. 11848-C, from an 80-acre unit consisting of the East Half of the Southwest Quarter of Section 32, Township 20 South, Range 7 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southwest Quarter of said Section 32.

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 3-14-08

ORDER NO. 2008-30

9. DOCKET NO. 3-12-08-2

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Wesley West 29-12-158 Well, Permit No. 11232-C, from an 80-acre unit consisting of the West Half of the Southwest Quarter of Section 29, Township 19 South, Range 8 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field to a 40-acre unit consisting of the Northwest Quarter of the Southwest Quarter of said Section 29.

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 3-14-08

ORDER NO. 2008-31

10. DOCKET NO. 3-12-08-3

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the Wesley West 29-9-155 Well, Permit No. 11244-C, from an 80-acre unit consisting of the North Half of the Southeast Quarter of Section 29, Township 19 South, Range 8 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field to a 40-acre unit consisting of the Northeast Quarter of the Southeast Quarter of said Section 29.

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 3-14-08

ORDER NO. 2008-32

11. DOCKET NO. 3-12-08-4

Petition by BLACK WARRIOR METHANE CORP., an Alabama corporation, requesting the State Oil and Gas Board to enter an order reforming the unit for the S.E. Belcher 05-06-367 Well, Permit No. 13620-C, from an 80-acre unit consisting of the East Half of the Northwest Quarter of Section 5, Township 21 South, Range 7 West, Tuscaloosa County, Alabama, in the Brookwood Coal Degasification Field to a 40-acre unit consisting of the Southeast Quarter of the Northwest Quarter of said Section 5.

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 3-14-08

ORDER NO. 2008-33

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

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.

The previous temporarily abandoned status for this well has expired, and Petitioner requests the Board to grant a one year extension beginning March 14, 2008, because said well has future utility and should not be plugged.

BOARD ACTION: Continued on 3-14-08 to the June 16 & 18, 2008, Board meeting with the stipulation that the temporarily abandoned status be continued to that hearing.

13. DOCKET NO. 3-12-08-6

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, until the August 29, 2008, meeting of the Board as it relates to the Johnson 14-14 #1 Well, 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 filed for Change of Operator of said well and on February 8, 2008, the Board approved SouthView Operating LLC as the operator of the well. Petitioner will secure the 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., failed 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.

A request was previously granted by Emergency Order No. E-2008-2 issued on January 29, 2008, staying Order 2007-162 until the February 8, 2008, meeting of the Board as said order relates to the Johnson 14-14 No. 1 Well. Subsequently the Board by Emergency Order No. E-2008-24 issued on February 8, 2008, granted a stay of Order 2007-162 for six months or to the next regularly scheduled meeting of the Board following said six months as said order relates to the Johnson 14-14 No. 1 Well.

BOARD ACTION: Granted 3-14-08
ORDER NO. 2008-34

14. DOCKET NO. 3-12-08-7

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 amending Rule 5 of the Special Field Rules for the Hatter's Pond Field, Mobile County, Alabama, to provide, among other things, that production casing may be set into the producing reservoir with or without a packer and/or a well may be completed open hole and may be drilled underbalanced, all with approval of the Oil and Gas Supervisor.

BOARD ACTION: Granted 3-14-08
ORDER NO. 2008-35

15. DOCKET NO. 3-12-08-8

Petition by MIDROC OPERATING COMPANY, 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 Little Cedar Creek Field to add the South Half of Section 6 and all of Section 17, Township 4 North, Range 13 East, Conecuh County, Alabama, to the field limits of said field.

BOARD ACTION: Granted 3-14-08
ORDER NO. 2008-36

16. DOCKET NO. 3-12-08-9A

Amended petition by PRUET PRODUCTION CO., 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 Dean Creek Oil Field, Escambia County, Alabama, to add the Southwest Quarter of Section 34, Township 4 North, Range 8 East, Conecuh County, Alabama, to the field limits of said Field, and amending Rule 7 of the Special Field Rules in order to increase the allowables for wells completed in said field.

BOARD ACTION: Granted 3-14-08
ORDER NO. 2008-37

17. DOCKET NO. 3-12-08-10

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 Northeast Quarter of Section 8, 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 3-14-08

ORDER NO. 2008-36

18. DOCKET NO. 3-12-08-11

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 Wiggins 3-07-581 Well, having a unit consisting of all of the Southeast Quarter of the Northwest Quarter and the Southwest Quarter of the Northeast Quarter, Section 3, Township 17 South, Range 8 West, Walker County, Alabama, in the White Oak 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. Petitioner requests that due and proper notice of the hearing on this matter be given in the manner and form and for the time required by law and the rules and regulations of this Board.

BOARD ACTION: Dismissed 3-14-08

ORDER NO. 2008-38

19. DOCKET NO. 3-12-08-12

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 GSP 22-07-27, Permit No. 11915-C, from an 80-acre unit consisting of the South Half of the Northeast Quarter of Section 22, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field, to an 40-acre unit consisting of the Southwest Quarter of the Northeast Quarter of Section 22, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Southeast Quarter of the Northeast Quarter of said Section 22, Township 19 South, Range 9 West, Tuscaloosa County, Alabama.

This petition is filed as a companion petition to Docket No. 3-12-08-13 which requests an exceptional location for the GSP 22-07-27 Well of 2169 feet from the north line and 1442 feet from the east line of Section 22, Township 19 South, Range 5 West, Tuscaloosa County, Alabama. After said unit is reformed, said well will be located 115 feet from the east line of the unit, as reformed.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-39

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

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY, a Colorado limited liability company, 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 4(b) of the Special Field Rules for the Deerlick Creek Coal Degasification Field, for the present location of the GSP 22-07-27 Well, Permit No. 11915-C, at its location 2169 feet from the north line and 1442 feet from the east line of Section 22, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field.

This petition is filed as a companion petition to Docket No. 3-12-08-12 requesting that the unit for said well be reformed to a new 40-acre unit consisting of the Southwest Quarter of the Northeast Quarter of said Section 22. After said unit is reformed, said well will be located 115 feet from the east line of the unit, as reformed.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-40

21. DOCKET NO. 3-12-08-14

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 CLC 24-5-18, Permit No. 11864-C, from an 80-acre unit consisting of the West Half of the Northwest Quarter of

Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field, to an 40-acre unit consisting of the Southwest Quarter of the Northwest Quarter of Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Northwest Quarter of the Northwest Quarter of said Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama.

BOARD ACTION: Continued 3-14-08

22. DOCKET NO. 3-12-08-15

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 CLC 26-07-29, Permit No. 11936-C, from an 80-acre unit consisting of the South Half of the Northeast Quarter of Section 26, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field, to an 40-acre unit consisting of the Southwest Quarter of the Northeast Quarter of Section 26, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Southeast Quarter of the Northeast Quarter of said Section 26, Township 19 South, Range 9 West, Tuscaloosa County, Alabama.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-41

23. DOCKET NO. 3-12-08-16

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 RGGG 30-16-59, Permit No. 13953-C, from an 80-acre unit consisting of the East Half of the Southeast Quarter of Section 30, Township 19 South, Range 5 West, Jefferson County, Alabama in the Oak Grove Coal Degasification Field, to an 40-acre unit consisting of the Southeast Quarter of the Southeast Quarter of Section 30, Township 19 South, Range 5 West, Jefferson County, Alabama, in the Oak Grove Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Northeast Quarter of the Southeast Quarter of said Section 30, Township 19 South, Range 5 West, Jefferson County, Alabama.

BOARD ACTION: Continued 3-14-08

24. DOCKET NO. 3-12-08-17

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 West 33-12-49, Permit No. 12840-C, from an 80-acre unit consisting of the Northwest Quarter of the Southwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 33, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field, to an 40-acre unit consisting of the Northwest Quarter of the Southwest Quarter of Section 33, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Southwest Quarter of the Northwest Quarter of said Section 33, Township 19 South, Range 9 West, Tuscaloosa County, Alabama.

BOARD ACTION: Continued 3-14-08

25. DOCKET NO. 3-12-08-18

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 West 33-14-50, Permit No. 12841-C, from an 80-acre unit consisting of the South Half of the Southwest Quarter of Section 33, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field, to an 40-acre unit consisting of the Southeast Quarter of the Southwest Quarter of Section 33, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Southwest Quarter of the Southwest Quarter of said Section 33, Township 19 South, Range 9 West, Tuscaloosa County, Alabama.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-42

26. DOCKET NO. 3-12-08-19

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY, a Colorado limited liability company 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 a well drilled to the Pottsville Formation on a unit consisting of approximately 40 acres located in the Southeast Quarter of the Northwest Quarter of Section 34, Township 19 South, Range 9 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: Continued 3-14-08

27. DOCKET NO. 3-12-08-20

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.

BOARD ACTION: Dismissed 3-14-08

ORDER NO. 2008-43

28. DOCKET NO. 3-12-08-21

Petition by UNION OIL COMPANY OF CALIFORNIA, 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 temporarily abandoned status for the E.T. Stapleton 27-7 #1 Well, Permit No. 2120, located in Section 27, Township 1 South, Range 2 West, and extending the temporarily abandoned status of the following wells, all located in Mobile County, Alabama, in the Chunchula Fieldwide Unit, in accordance with Rule 400-1-4-.17 (1) of the State Oil and Gas Board of Alabama Administrative Code:

<u>Well Name</u>	<u>Permit No.</u>	<u>Location</u>
E.M. Maddox 26-7 #1	2310	Sec. 26-T1S-R2W
International Paper Co. 2-10 #1	2499	Sec. 2-T1S-R2W
M.V. Kelly 11-10 #1	2158	Sec. 11-T1S-R2W
George Radcliff 30-6 #1	2324-B	Sec. 30-T1S-R1W
Early Neese 13-12 #1	5436	Sec. 13-T1S-R2W
International Paper Co. 14-6 #1	2085	Sec. 14-T1S-R2W
George Radcliff, et al. 19-11 #2	2295	Sec. 19-T1S-R1W
Arthur Outlaw 35-13 #1	10500	Sec. 35-T1S-R2W
M. C. Stallworth Unit 23-13 #1	3191-GI-81-1	Sec. 23-T1S-R2W

Petitioner requests that temporarily abandoned status for the E.T. Stapleton 27-7 #1 Well be granted and the temporarily abandoned status of the remaining wells be extended for a period of one year beginning March 14, 2008, because said wells have future utility and should not be plugged. Petitioner further requests that the Class II injection permit for the M.C. Stallworth Unit 23-13 #1 Well be extended for one year beginning March 14, 2008.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-44

29. DOCKET NO. 3-12-08-22

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado 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 CLC 24-14-43, Permit No. 12021-C, from an 80-acre unit consisting of the East Half of the Southwest Quarter of Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field, to an 40-acre unit consisting of the Southeast Quarter of the Southwest Quarter of Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama, in the Deerlick Creek Coal Degasification Field. 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 from the current unit by formation of an additional 40 acre unit comprised of the Northeast Quarter of the Southwest Quarter of said Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-46

30. DOCKET NO. 3-12-08-23

Petition by SAGA PETROLEUM LIMITED LIABILITY COMPANY OF COLORADO, a Colorado limited liability company, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to terminate the forced pooling and integration of the tracts and interests in the unit for the CLC 24-14-43 Well, Permit No. 12021-C, which is comprised of the East Half of the Southwest Quarter of Section 24, Township 19 South, Range 9 West, Tuscaloosa County, Alabama in the Deerlick Creek Coal Degasification Field. The Board in Order No. 2000-220 force pooled and integrated with risk compensation the tracts and interests in the unit for the CLC 24-14-43 Well.

BOARD ACTION: Granted 3-14-08

ORDER NO. 2008-45

31. DOCKET NO. 3-12-08-24

Petition by GEOMET, INC., a Delaware corporation, requesting the State Oil and Gas Board to enter an order approving a 160-acre wildcat drilling unit consisting of the Northeast Quarter of Section 30, Township 12 South, Range 1 East, Blount County, Alabama, for the drilling of a vertical well and then a horizontal lateral, namely the proposed Fallin 30-07-03 Well, in accordance with Rule 400-1-2-.02(2)(b) of the State Oil and Gas Board of Alabama Administrative Code which provides that a well may be drilled on a drilling unit consisting of a governmental quarter section containing approximately 160 acres.

Petitioner permitted the Wittmeier 30-02-03 Well, Permit No. 15448, on a 40-acre unit consisting of the Northwest Quarter of the Northeast Quarter of said Section 30, but intends to cancel said permit.

This petition is filed as a companion to a petition bearing Docket No. 3-12-08-25 requesting approval of an exceptional location for the referenced well on the proposed 160-acre wildcat drilling unit, a petition bearing Docket No. 3-12-08-26 requesting forced pooling without imposition of a risk compensation penalty, and a petition bearing Docket No. 3-12-08-27 requesting an exception to Rule 400-1-4-.09(2)(c) pertaining to the setting and cementing of production casing.

BOARD ACTION: Continued 3-14-08

32. DOCKET NO. 3-12-08-25

Petition by GEOMET INC., a Delaware corporation, requesting the State Oil and Gas Board to enter an order approving an exceptional location for the proposed Fallin 30-07-03 Well located 573 feet from the South line and 386 feet from the West line of a 160-acre wildcat drilling unit consisting of the Northeast Quarter of Section 30, Township 12 South, Range 1 East, Blount County, Alabama, as an exception to Rule 400-1-2-.02(2)(b) of the State Oil and Gas Board of Alabama Administrative Code which requires that wells be drilled at least 660 feet from every exterior boundary of the drilling unit. Petitioner proposes to drill a vertical well into the Chattanooga Shale, evaluate the formation, then plug back the well and drill horizontally in the Chattanooga Shale in a northeasterly direction to a location that would be no closer than 330 feet from the North line and 330 feet from the East line of the unit. As such, said well will be no closer than 330 feet from every exterior boundary of the proposed 160-acre wildcat drilling unit for the referenced well and, as such, will be an exception to said Rule.

The petition is filed as a companion to a petition bearing Docket No. 3-12-08-24 requesting approval of a 160-acre wildcat drilling unit for the referenced well, a petition bearing Docket No. 3-12-08-26 requesting forced pooling without imposition of a risk compensation penalty, and a petition bearing Docket No. 3-12-08-27 requesting an exception to Rule 400-1-4-.09(2)(c) pertaining to the setting and cementing of production casing.

BOARD ACTION: Continued 3-14-08

33. DOCKET NO. 3-12-08-26

Petition by GEOMET, INC., a Delaware corporation, 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 in the proposed Fallin 30-07-03 Well, located 573 feet from the South line and 386 feet from the West line of a 160-acre wildcat drilling unit consisting of the Northeast Quarter of Section 30, Township 12 South, Range 1 East, Blount 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. 3-12-08-24 requesting approval of the above-described 160-acre wildcat drilling unit for the referenced well, a petition bearing Docket No. 3-12-08-25 requesting approval of an exceptional location for the referenced well on the proposed 160-acre wildcat drilling unit, and a petition bearing Docket No. 3-12-08-27 requesting an exception to Rule 400-1-4-.09(2)(c) the statewide rule pertaining to the setting and cementing of production casing.

BOARD ACTION: Continued 3-14-08

34. DOCKET NO. 3-12-08-27

Petition by GEOMET, INC., a Delaware corporation, requesting the State Oil and Gas Board to enter an order approving an exception to Rule 400-1-4-.09(2)(c) of the State Oil and Gas Board of Alabama Administrative Code pertaining to the requirements for setting and cementing production casing for the proposed Fallin 30-07-03 Well, to be drilled on a 160-acre wildcat drilling unit consisting of the Northeast Quarter of Section 30, Township 12 South, Range 1 East, Blount County, Alabama.

This petition is filed as a companion to a petition bearing Docket No. 3-12-08-24 requesting approval of the above-described 160-acre wildcat drilling unit for the referenced well, a petition bearing Docket No. 3-12-08-25 requesting approval of an exceptional location for the referenced well on the proposed 160-acre wildcat drilling unit, and a petition bearing Docket No. 3-12-08-26 requesting the forced pooling, without imposition of a risk compensation penalty.

BOARD ACTION: Continued 3-14-08

35. DOCKET NO. 4-30-03-7

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to consider issuing an order for Vintage Petroleum, Inc., Hunt Refining Company, and Pruet Production Company to clean up and remove the oil on the lands of Lois Ezell and the adjoining pipeline right-of-way located in Section 29, Township 11 North, Range 3 West, Choctaw County, Alabama. Vintage Petroleum, Inc., operates the Ezell 29-5 Well, Permit No. 1844, on the lands of Lois Ezell, and certain oil pipelines on the pipeline right-of-way adjoining the lands of Lois Ezell. Hunt Oil Company operates an oil pipeline on the pipeline right-of-way adjoining the lands of Lois Ezell. Pruet Production Company operates a natural gas pipeline and a salt-water pipeline on the pipeline right-of-way adjoining the lands of Lois Ezell. The jurisdiction and authority of the Board is set forth in Section 9-17-1 et seq. of the Code of Alabama (1975), as amended.

BOARD ACTION: Continued 3-14-08 for one year or to the next regularly scheduled meeting following said one year period.

36. 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 Gilberttown 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 (1293 TB)	C. F. Stewart Heirs #1 (C. F. Stewart Heirs #1)	S1, T10N, R3W S1, T10N, R3W
1338	Mattie Clark #3	S1, T10N, R3W
10416 (1343 TB)	Mattie E. Clark #1-6 (Abston Jones 1-6)	S1, T10N, R3W 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 3-14-08

37. 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: Continued 3-14-08

38. 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 Gilberttown 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.

Gilberttown 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 (3038 TB)	Land et al 34-2 #2 (Bonner Merritt #35-5)	S34, T11N, R5W 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

Bucatunna Creek Underground Injection Control Well

2753-B-SWD-80-1	Johnson 14-14#1	S14, T11N, R5W
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BOARD ACTION: Ordered on 3-14-08 that the Bonner Merritt #35-5 tank battery site and the Merritt 35-4 #1 tank battery site be restored by the May 13, 2008, Board meeting. Continued the Motion to the August 29, 2008 Board meeting with respect to the Davis 35-7 #1 Well; the Triad 26-7 #1 Well; and the Land Brothers 36-5 #2 tank battery.

ORDER NO. 2008-47

39. DOCKET NO. 10-3-07-12

Continued MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA for Operator, ENERGY RECOVERY GROUP., to show cause why the wells described hereinbelow located in the Baldwin, Covington, Conecuh, Mobile and Walker Counties, Alabama, should not be found in violation of Rule 400-1-6-.10 of the State Oil and Gas Board of Alabama Administrative Code relating to Site Maintenance and Rule 400-1-10-.01 of the State Oil and Gas Board of Alabama Administrative Code relating to Reports. Further pursuant to this Motion the Operator shall show cause why the wells 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 production facility 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.

Baldwin County Wells

<u>Permit No</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4548	Gulf State Park 7-13 #1	S7, T9S, R5E	Gulf State Park
5791	Smith et al Unit 38 #1	S38, T8S, R4E	Swifts Landing
6435	Dora Hand et al 32 #1	S32, T8S, R3E	South Weeks Bay
10036	Magnolia Land Co. 35-2 #1	S35, T7S, R3E	East Magnolia Springs
10037	Burnett 37 #1	S37, T8S, R4E	Oak
12325	Flowers Stewart 18-8	S18, T8S, R4E	Pleasant View

Covington County Wells

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
6239	Paramount-Jeffers 17-9 #1	S17, T1N, R14E	West Falco
8788	Paramount-Federal 16-14 #1	S16, T1N, R14E	West Falco
9950- SWD-91-12	Paramount- Federal 21-1 #1	S21, T1N, R14E	West Falco
10489	Smak-Dixon 31-6 #1	S31, T3N, R15E	Pleasant Home
10632	Smak-Dixon 31-11 #1	S31, T3N, R15E	Pleasant Home
10735-B	Smak-Dixon 31-10 #1	S31, T3N, R15E	Pleasant Home
10874	Smak-Dixon 31-7 #1	S31, T3N, R15E	Pleasant Home
11023- SWD-96-2	Smak-Dixon 31-10 SWD #1	S31, T3N, R15E	Pleasant Home
11096-B	Smak-Murphy 13-4#1	S13, T3N, R14E	South Copeland Creek

Conecuh County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
12049-B	D. W. McMillan 31-15#1	S31, T4N, R10E	Juniper Creek

Mobile County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4412-A	R. J. Newman et al 21-11#1	S21, T1S, R1W	Turnerville

Walker County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
3246	U. S. Steel 17-14#1	S17, T13S, R10W	Eldridge
5131	McPoland et al 7-16#1	S7, T13S, R10W	Eldridge
5132	McPoland et al 8-13#1	S8, T13S, R10W	Eldridge
5283	McPoland et al 8-7#1	S8, T13S, R10W	Eldridge
5539	U. S. Steel 8-10#1	S8, T13S, R10W	Eldridge
5622	U. S. Steel 9-12#1	S9, T13S, R10W	Eldridge
5916	Gordon Davis 17-12#1	S17, T13S, R10W	Eldridge
6254	McPoland et al 18-16#1	S18, T13S, R10W	Eldridge
6310	U. S. Steel 20-4#1	S20, T13S, R10W	Eldridge
6355	Calvin 19-2#1	S19, T13S, R10W	Eldridge
6388	Aultman 18-6#1	S18, T13S, R10W	Eldridge
6972	U. S. Steel 19-10#1	S19, T13S, R10W	Eldridge

Also, pursuant to this Motion the Operator shall show cause why these two plugged and abandoned wells, the Thomas W. Walters et al Unit 13-10#1 Well, Permit No. 4758, and the Brantley et al Unit 32-13 #1 Well, Permit No. 5266, both of which were located in Baldwin County should not be found in violation of Rule 400-1-4-.15 of the State Oil and Gas Board of Alabama Administrative Code relating to Report of Well Plugging. Failure to comply with the Board's rules and regulations may result in the Board issuing fines or taking other sanctions against Operator, Energy Recovery Group. The Board may collect the proceeds of the well bond covering these wells and use the proceeds to plug and abandon wells and restore well locations.

BOARD ACTION: Continued 3-14-08

40. DOCKET NO. 12-12-07-39

MOTION BY THE STATE OIL AND GAS BOARD OF ALABAMA to address the following oil and gas wells described hereinbelow located in Baldwin, Covington, Conecuh, Mobile and Walker Counties, Alabama, operated by ENERGY RECOVERY GROUP, LLC:

Baldwin County Wells

<u>Permit No</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4548	Gulf State Park 7-13 #1	S7, T9S, R5E	Gulf State Park
5791	Smith et al Unit 38 #1	S38, T8S, R4E	Swifts Landing
6435	Dora Hand et al 32 #1	S32, T8S, R3E	South Weeks Bay
10036	Magnolia Land Co. 35-2 #1	S35, T7S, R3E	East Magnolia Springs
10037	Burnett 37 #1	S37, T8S, R4E	Oak
12325	Flowers Stewart 18-8	S18, T8S, R4E	Pleasant View

Covington County Wells

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
6239	Paramount-Jeffers 17-9 #1	S17, T1N, R14E	West Falco
8788	Paramount-Federal 16-14 #1	S16, T1N, R14E	West Falco
9950- SWD-91-12	Paramount- Federal 21-1 #1	S21, T1N, R14E	West Falco
10489	Smak-Dixon 31-6 #1	S31, T3N, R15E	Pleasant Home
10632	Smak-Dixon 31-11 #1	S31, T3N, R15E	Pleasant Home
10735-B	Smak-Dixon 31-10 #1	S31, T3N, R15E	Pleasant Home
10874	Smak-Dixon 31-7 #1	S31, T3N, R15E	Pleasant Home
11023- SWD-96-2	Smak-Dixon 31-10 SWD #1	S31, T3N, R15E	Pleasant Home
11096-B	Smak-Murphy 13-4#1	S13, T3N, R14E	South Copeland Creek

Conecuh County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
12049-B	D. W. McMillan 31-15#1	S31, T4N, R10E	Juniper Creek

Mobile County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
4412-A	R. J. Newman et al 21-11#1	S21, T1S, R1W	Turnerville

Walker County Well

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>	<u>Field</u>
3246	U. S. Steel 17-14#1	S17, T13S, R10W	Eldridge
5131	McPoland et al 7-16#1	S7, T13S, R10W	Eldridge
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5283	McPoland et al 8-7#1	S8, T13S, R10W	Eldridge
5539	U. S. Steel 8-10#1	S8, T13S, R10W	Eldridge
5622	U. S. Steel 9-12#1	S9, T13S, R10W	Eldridge
5916	Gordon Davis 17-12#1	S17, T13S, R10W	Eldridge
6254	McPoland et al 18-16#1	S18, T13S, R10W	Eldridge
6310	U. S. Steel 20-4#1	S20, T13S, R10W	Eldridge
6355	Calvin 19-2#1	S19, T13S, R10W	Eldridge
6388	Aultman 18-6#1	S18, T13S, R10W	Eldridge
6972	U. S. Steel 19-10#1	S19, T13S, R10W	Eldridge

An Involuntary Petition for Bankruptcy has been filed in the U.S. Bankruptcy Court, Eastern District of Texas, Case No. 06-41568 relating to Energy Recovery Group, LLC. In order to ensure that the subject wells are operated properly in accordance with the Alabama oil and gas laws and to ensure the protection of the citizens of Alabama, the Board may consider whether the transfer of operatorship is in the best interest of the State of Alabama. Various proposals for transfer or change of operator are being considered relating to the subject wells.

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: Taken under advisement on 3-14-08 and then continued 3-20-08 to the next regularly scheduled meeting of the Board.