

RESULTS OF MEETING
STATE OIL AND GAS BOARD OF ALABAMA
JUNE 18 & 20, 2013

The State Oil and Gas Board of Alabama held its regular hearing at 10:00 a.m. on Tuesday, June 18, 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, and Thursday, June 20, 2013, in the Tensaw Theatre Room, Five Rivers Delta Resource Center, 30945 Five Rivers Blvd., Spanish Fort, Alabama, to consider, among other items, the following petition(s):

1. 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.

ACTION: Continued, 6/20/2013.

2. 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.

ACTION: Granted with the stipulation that the first well to be plugged and abandoned shall be the JV-P Hill 34-3 No. 1 Well, P# 10727-B, 6/20/2013.

ORDER NO. 2013-44

3. DOCKET NO. 05-07-13-11

Petition by LAND AND NATURAL RESOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board to enter an order granting temporarily abandoned status of the R.J. Newman et al 21-11 #1 Well, Permit No. 4412-A, located in the Turnerville Field on a 160-acre production unit consisting of the Southwest Quarter of Section 21, Township 1 South, Range 1 West, Mobile County, Alabama, for one year, in accordance with Rule 400-1-4-.17(1) of the *State Oil and Gas Board of Alabama Administrative Code* because said well has future utility and should not be plugged.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-45

4. DOCKET NO. 6-18-13-01

Petition by JL RESOURCES, LLC, a foreign 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 approving an exceptional location for a proposed Bar L, LLC 6-3 No. 1 Well at a location 280 feet from the North line and 250 feet from the West line of a proposed 40-acre drilling unit consisting of the Northeast Quarter of the Northwest Quarter of Section 6, Township 11 North, Range 4 West, Choctaw County, Alabama. Said location is an exception to Rule 400-1-2-.02 (2) (a) of the *State Oil and Gas Board of Alabama Administrative Code* that requires 40-acre drilling units to be located at least 330 feet from every exterior boundary of the drilling unit.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-46

5. DOCKET NO. 6-18-13-02

Petition by PETRODOME OPERATING, LLC, a foreign 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 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 the SE ¼ of Section 29, Township 7 North, Range 8 East, Monroe County, Alabama, as a 40-acre wildcat unit for the purpose of drilling a well to test formations down to and including the Frisco City Sand which is a part of the Haynesville 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.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-47

6. DOCKET NO. 6-18-13-03

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 approving a 40-acre wildcat drilling unit for the U.L. Jones 28-7 #1 Well consisting of the East Half of the Southeast Quarter of Northwest Quarter and West Half of Southwest Quarter of Northeast Quarter of Section 28, Township 4 North, Range 12 East, Conecuh County, Alabama, as an exception to Rule 400-1-2-.02(2)(a) of the *State Oil and Gas Board of Alabama Administrative Code* which provides that such wells be drilled on units consisting of a governmental quarter-quarter section containing approximately 40 acres.

This petition is filed pursuant to Section 9-17-1, *et seq.* of the *Code of Alabama* (1975), as amended.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-48

7. DOCKET NO. 6-18-13-04

Petition by ESCAMBIA OPERATING CO. 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 an exceptional location for the proposed Cedar Creek Land & Timber 14-3 #1 Well to be drilled on a 640-acre production unit consisting of Section 14, Township 1 North, Range 8 East, Escambia County, Alabama, in the Flomaton Field. The proposed location for the said well on said 640-acre production unit is 911 feet from the North line and 1,884 feet from the West line of said Section 14 and, as such, is an exception to Rule 3(b) of the Special Field Rules for the Flomaton Field. Said Rule states that wells completed in and producing from the Norphlet Sand Pool in said Field be located at least 1,320 feet from the nearest exterior boundary of the drilling unit and the proposed location for the above described well is 911 feet from the North line and 1,884 feet from the West line of said 640-acre production unit.

Petitioner plans to drill the Cedar Creek Land & Timber Co. 14-3 #1 Well as a replacement well for the Bernice S. Wessner Gas 14 #2 Well, Permit No. 1974, which is currently under repair and is being evaluated for future utility.

ACTION: Continued, 6/20/2013.

8. DOCKET NO. 6-18-13-05

Petition by SKLAR EXPLORATION COMPANY L.L.C. requesting that the State Oil and Gas Board of Alabama enter an order (a) force pooling, with a risk compensation fee, all tracts and interests in the Northwest Quarter of Section 2, Township 10 North, Range 2 East, Clarke 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 400-1-1-.01, *et seq.* (and, in particular, Rule 400-7-2-.01, *et seq.*) of the State Oil and Gas Board of Alabama Administrative Code.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-49

9. DOCKET NO. 6-18-13-06

Petition by TEXAS PETROLEUM INVESTMENT COMPANY, INC., a Texas corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order, pursuant to Section 9-17-1, *et seq.* ALABAMA CODE and Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code, to enter an order extending the temporarily abandoned status of the Chavers Creek Norphlet 1-1-1 Well, Permit No. 5474, located in the Northeast Quarter of the Northeast Quarter of Section 1, Township 1 North, Range 8 East, in the Chavers Creek Field, Escambia County, Alabama.

ACTION: Granted with the stipulation that a mechanical integrity test be performed within 30 days, 6/20/2013.

ORDER NO. 2013-50

10. DOCKET NO. 6-18-13-07

Petition by TEXAS PETROLEUM INVESTMENT COMPANY, INC., a Texas corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order, pursuant to Section 9-17-1, *et seq.* ALABAMA CODE and Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code, to enter an order extending the temporarily abandoned status of the Cogle 1-8-1 Well, Permit No. 3895, located in the Southeast Quarter of the Northeast Quarter of Section 1, Township 1 North, Range 8 East, Escambia County, Alabama.

ACTION: Granted with the stipulation that a mechanical integrity test be performed within 30 days, 6/20/2013.

ORDER NO. 2013-51

11. DOCKET NO. 6-18-13-08

Petition by TEXAS PETROLEUM INVESTMENT COMPANY, INC., a Texas corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order, pursuant to Section 9-17-1, *et seq.* ALABAMA CODE and Rule 400-1-4-.17 of the State Oil and Gas Board of Alabama Administrative Code, to enter an order extending the temporarily abandoned status of the Tocumen et al. 1-3-1 Well, Permit No. 4060, located in a 40 acre unit described as the South Half of the North

Half of the Northeast Quarter of the Northwest Quarter; the South Half of the Northeast Quarter of the Northwest Quarter; and the North Half of the North Half of the Southeast Quarter of the Northwest Quarter of Section 1, Township 1 North, Range 8 East, Escambia County, Alabama.

ACTION: Granted with the stipulation that a mechanical integrity test be performed within 30 days, 6/20/2013.

ORDER NO. 2013-52

12. DOCKET NO. 6-18-13-09

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 approving shut-in status for the Hatter's Pond Unit 2-3 #1 Well, Permit No. 16543-B, located in Section 2, Township 2 South, Range 1 West, Mobile County, Alabama, in the Hatter's Pond Unit, for one year, in accordance with Rule 400-1-4-.17(2) of the *State Oil and Gas Board of Alabama Administrative Code* because said well has future utility and should not be plugged.

Petitioner further requests that the Board extend the temporarily abandoned status for the following wells located in Mobile County, Alabama, in the Hatter's Pond Unit, for one year, in accordance with Rule 400-1-4-.17(1) of the *State Oil and Gas Board of Alabama Administrative Code* because said wells have future utility and should not be plugged:

Well Name: Hatter's Pond Unit 10-2 #1 ST
Permit No. 4894-B
Location: S10-T2S-R1W

Well Name: Hatter's Pond Unit 21-15 #1
Permit No.: 3697
Location: S21-T2S-R1W

Well Name: Hatter's Pond Unit 33-16 #1
Permit No.: 3451-B
Location: S33-T1S-R1W

Well Name: Hatter's Pond Unit 3-1 #1
Permit No.: 4706
Location: S3-T2S-R1W.

Well Name: Hatter's Pond Unit 35-11 #3
Permit No. 3277
Location: S35-T1S-R1W.

Petitioner further requests that the Board extend the shut-in status for the following wells located in Mobile County, Alabama, in the Hatter's Pond Unit, for one year, in accordance with Rule 400-1-4-.17(2) of the *State Oil and Gas Board of Alabama Administrative Code* because said wells are capable of producing and should not be plugged:

Well Name: Hatter's Pond Unit 3-9 #1
Permit No. 4705
Location: S3-T2S-R1W

Well Name: Hatter's Pond Unit 15-3 #1
Permit No.: 10453
Location: S15-T2S-R1W.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-53

13. DOCKET NO. 6-18-13-10A

Petition by DE SOTO OIL PROPERTIES, LLC, a Florida 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 delay of the filing of the Change of Operator Form OGB-1E for transfer of operations for the Bedsole Fndn. 24-11 #1 Well, Permit No. 16359-B, and the Bedsole Fndn. 24-11 #2 Well, Permit No. 16389-B, in Clarke County, Alabama and the Cox 5-10 #1 Well, Permit No. 15069-B, in Escambia County, Alabama from Mayne & Mertz, Inc. as current operator to De Soto Oil Properties, LLC as new operator for a period of 120 days pursuant to Alabama Code (1975) Section 9-17-1 et seq. and Rule 400-1-2-.05 of the *State Oil and Gas Board of Alabama Administrative Code*. Rule 400-1-2-.05 provides that the new operator shall submit the Change of Operator form within 60 days of the effective date of the agreement causing a change of operator, and in this Petition, De Soto is requesting additional time to submit the Change of Operator form.

ACTION: Granted (for the Cox 5-10 #1 Well only), 6/20/2013.
ORDER NO. 2013-54

14. DOCKET NO. 6-18-13-11

Petition by DE SOTO OIL PROPERTIES, LLC, a Florida 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, pursuant to Section 9-17-1, et seq, of the *Code of Alabama* (1975) and Rule 400-1-4-.17(1) of the State Oil and Gas Board of Alabama Administrative Code, extending the temporarily abandoned status of the Cox 5-10 #1 Well, Permit No. 15069-B located on a 160 acre production unit described as the Southeast Quarter of Section 5, Township 1 North, Range 9 East in the West Catawba Springs Field, Escambia County, Alabama for a period of one year.

ACTION: Granted with the stipulation that the well be classified as shut-in, 6/20/2013.
ORDER NO. 2013-55

15. DOCKET NO. 6-18-13-12

Petition by CINCO NRG, LLC, a foreign 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 approving an exceptional 160- acre production unit for the proposed Hill 34-6 No. 1 Well, said exceptional 160-acre production unit to consist of the West Half of the Northeast Quarter and the East Half of the Northwest Quarter of Section 34, Township 6 North, Range 7 East, Monroe County, Alabama, in the North Excel Field.

The proposed production unit is an exception to Rule 3(a) of the Special Field Rules for the North Excel Field that requires all such wells to be located on units consisting of governmental quarter sections of approximately 160 acres.

This matter is filed as a companion to a Petition requesting that all tracts and interests be force pooled with risk compensation under Docket No. 06-18-13-13.

Presently Delphi Oil, Inc. operates the 9216 JV-P Hill 34-3 #1 Well, Permit No. 10727-B, on a 160-acre governmental production unit in the North Excel Field consisting of the Northwest Quarter of Section 34, Township 6 North, Range 7 East, Monroe County, Alabama.

The 9216 JV-P Hill 34-3 #1 Well was drilled in March, 1995. The exceptional 160-acre production unit proposed by CINCO NRG, LLC will include a part of the present 160-acre production unit for the 9216 JV-P Hill 34-3 #1 Well.

ACTION: Continued, 6/20/2013

16. DOCKET NO. 6-18-13-13

Petition by CINCO NRG, LLC, 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 force pooling, with the imposition of a risk compensation penalty, all tracts and interests in hydrocarbons produced from the Frisco City Sand Oil Pool in the proposed 160-acre production unit for the Hill 34-6 No. 1 Well to consist of the West Half of the Northeast Quarter and the East Half of the Northwest Quarter of Section 34, Township 6 North, Range 7 East, Monroe County, Alabama in the North Excel 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*.

This Petition is filed as a companion to a Petition under Docket No. 06-18-13-12 requesting that the approval of the above noted production unit as an exception to Rule 3(a) of the Special Field Rules for the North Excel Field.

ACTION: Dismissed, 6/20/2013.

ORDER NO. 2013-56

17. DOCKET NO. 6-18-13-14

Petition by SKLAR EXPLORATION COMPANY, LLC, a Louisiana limited liability company authorized to do and doing business in the State of Alabama, requesting that the State Oil and Gas Board of Alabama (the "Board") enter an order, pursuant to Ala. Code (1975) § 9-17-1, et seq. (and, in particular, Ala. Code (1975) § 9-17-12, as amended) and State Oil and Gas Board of Alabama Administrative Code Rules 400-1, et seq. (and, in particular, Rule 400-7-1-.04 thereof), approving an exceptional location for a sidetrack of its Bull 32-10 No. 1 Well (Permit No. 16776) located on a 160-acre production unit consisting of the Southeast Quarter of Section 32, Township 4 North, Range 13 East, Conecuh County, Alabama (the "Production Unit"), the bottom hole location of said well to be located no closer than 330 feet from the North line of the Production Unit and no closer than 330 feet from the East line of the Production Unit and said well to be renamed the Cedar Creek Land and Timber Company 32-9 Well No. 1, and for the permit to be revised accordingly. By Emergency Order No. (E) 2013-26 dated April 24, 2013, the State Oil and Gas Board approved this exceptional location for no longer than 45 days or until the next regularly scheduled meeting of the Board. Also, by Emergency Order

2013-43 dated May 24, 2013, the State Oil and Gas Board approved this exceptional location for no longer than 45 days or until the next regularly scheduled meeting of the Board, and this petition will request that the emergency orders be made permanent.

ACTION: Granted, 6/20/2013.

ORDER NOS. 2013-57

18. DOCKET NO. 6-18-13-15A

Amended 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 extending the temporarily abandoned status of the following wells 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*. Said wells have future utility and should not be plugged:

Well Name: Roy J. Smith et al 6-10 #1A
Permit No.: 2355-B
Location: S6-T1S-R1W
Status: Temporarily Abandoned

Well Name: Annie M. Hill 8-7 #1
Permit No.: 13619
Location: S8-T1S-R2W
Status: Temporarily Abandoned.

Petitioner requests an extension of the shut-in status of the following wells located in Mobile County, Alabama, in the Chunchula Fieldwide Unit, in accordance with Rule 400-1-4-.17(2) of the *State Oil and Gas Board of Alabama Administrative Code*. Said wells are capable of producing and should not be plugged:

Well Name: E.L. Maples 24-16 #1
Permit No.: 3193
Location: S24-T1S-R2W
Status: Shut-in

Well Name: Della M. Waltman 15-10 #1
Permit No.: 2758
Location: S15-T1S-R2W

Well Name: Arthur R. Outlaw 34-15 #1
Permit No.: 4692
Location: S34-T1S-R2W.

Petitioner requests approval of shut-in status for the following wells located in Mobile County, Alabama, in the Chunchula Fieldwide Unit, in accordance with Rule 400-1-4-.17(2) of the *State Oil and Gas Board of Alabama Administrative Code*. Said wells are capable of producing and should not be plugged:

Well Name: International Paper Co. 25-6 #1
Permit No.: 2234
Location: S25-T1S-R2W

Well Name: George Radcliff 19-11 #2 ST
Permit No.: 2295-B-2
Location: S19-T1S-R1W

Well Name: I.L. Wright 28-7 #1
Permit No.: 2322
Location: S28-T1S-R2W

Well Name: International Paper Co. 24-4 #1
Permit No.: 3206
Location: S24-T1S-R2W.

Petitioner requests approval of temporarily abandoned status for the following wells 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*

because said wells have future utility and should not be plugged. These wells were previously classified as shut-in, but Petitioner requests that these wells be classified as temporarily abandoned as they are all being evaluated for a sidetrack in 2013 or 2014:

Well Name: International Paper Co. 24-11 #1
Permit No.: 2119-B
Location: S24-T1S-R2W

Well Name: E.M. Maddox 26-12 #1
Permit No.: 11629-B-1
Location: S26-T1S-R2W

Well Name: C.P. Newman 17-11 #1
Permit No.: 2739
Location: S17-T1S-R1W

Well Name: R.J. Newman 7-7 #1A
Permit No.: 2233-B-2
Location: S7-T1S-R1W.

Petitioner requests approval of temporarily abandoned status for the E.M. Maddox 26-7 #1 ST02 Well, Permit No. 2310-B-2, located in Section 26, Township 1 South, Range 2 West, 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* because said well has future utility and should not be plugged. Said well is being evaluated for a sidetrack in 2013 or 2014.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-58

19. DOCKET NO. 6-18-13-16

Petition by FAIRWAYS EXPLORATION & PRODUCTION, LLC, a foreign limited liability company, requesting the State Oil and Gas Board to enter an order establishing a new oil field in Escambia County, Alabama, to be named the Clear 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 Southeast Quarter of the Southwest Quarter and Southwest Quarter of Southeast Quarter of Section 17, and the Northeast Quarter of the Northwest Quarter and Northwest Quarter of Northeast Quarter of Section 20, all in Township 2 North, Range 12 East, Escambia County, Alabama, Escambia County, Alabama.

The Smackover Oil Pool in said Field is defined as those strata productive of hydrocarbons between the interval of 12,980 feet measured depth and 13,022 feet measured depth, as indicated on the Array Induction Spectral Density Dual Spaced Neutron Wavesonic Microlog Log for the Cedar Creek Land & Timber 17-14 #1 Well, Permit No. 16759, located in the Southeast Quarter of the Southwest Quarter of Section 17, Township 2 North, Range 12 East, Escambia County, Alabama, and all zones in communication therewith and all productive extensions thereof.

Petitioner requests well spacing of 160 contiguous surface acres, and also requests the establishment of allowables for said field.

Petitioner has filed a companion petition bearing Docket No. 6-18-13-17 to reform the 40-acre wildcat drilling unit for the Cedar Creek Land & Timber 17-14 #1 Well to a 160-acre production unit in said Field, and has also filed a companion petition bearing Docket No. 6-18-13-18 requesting approval of the exceptional location of said well on the proposed reformed 160-acre production unit. This petition is filed pursuant to Rule 400-1-1-.07 and Rule 400-7-1, *et seq.*, of the *State Oil and Gas Board of Alabama Administrative Code*.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-59

20. DOCKET NO. 6-18-13-17

Petition by FAIRWAYS EXPLORATION & PRODUCTION, LLC, a foreign limited liability company, requesting the State Oil and Gas Board to reform the 40-acre wildcat drilling unit for the Cedar Creek Land & Timber 17-14 #1 Well, Permit No. 16759, consisting of the Southeast Quarter of the Southwest Quarter of Section 17, Township 2 North, Range 12 East, Escambia County, Alabama, to an exceptional non-governmental 160-acre production unit consisting of the Southeast Quarter of the Southwest Quarter and Southwest Quarter of Southeast Quarter of Section 17, and the Northeast Quarter of the Northwest Quarter and Northwest Quarter of Northeast Quarter of Section 20, all in Township 2 North, Range 12 East, Escambia County, Alabama, in the proposed Clear Creek Field.

Petitioner has filed a companion petition bearing Docket No. 6-18-13-16 requesting that the Board establish a new oil field in Escambia County, Alabama, to be known as the Clear Creek Field, and has also filed a companion petition bearing Docket No. 6-18-

13-18 requesting approval of the exceptional location of the Cedar Creek Land & Timber 17-14 #1 Well on the proposed reformed 160-acre production unit.

Petitioner requests that the Board approve and establish the proposed 160-acre production unit in accordance with the provisions of Section 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.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-60

21. DOCKET NO. 6-18-13-18

Petition by FAIRWAYS EXPLORATION & PRODUCTION, 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 Cedar Creek Land & Timber 17-14 #1 Well, Permit No. 16759, on a proposed reformed 160-acre unit consisting of the Southeast Quarter of the Southwest Quarter and Southwest Quarter of Southeast Quarter of Section 17, and the Northeast Quarter of the Northwest Quarter and Northwest Quarter of Northeast Quarter of Section 20, all in Township 2 North, Range 12 East, Escambia County, Alabama, in the proposed Clear Creek Field, as an exception to Rule 3(b) of the Special Field Rules for said Field. Said Rule 3(b) requires that wells be drilled at least 660 feet from every exterior boundary of the drilling unit, and the surface location of the referenced well on said proposed reformed 160-acre unit is 532 feet from the North line and 729 feet from the West line of said proposed reformed 160-acre unit, and a bottom hole location 465 feet from the North line and 693 feet from the West line of said reformed 160-acre unit, and as such, is an exception to said Rule 3(b).

This petition is filed as a companion to a petition bearing Docket No. 6-18-13-16 requesting the Board to establish a new oil field in Escambia County, Alabama, to be known as the Clear Creek Field. Petitioner has also filed a companion petition bearing Docket No. 6-18-13-17 requesting reformation of the 40-acre wildcat drilling unit for the Cedar Creek Land & Timber 17-14 #1 Well to a 160-acre production unit in the Clear Creek Field.

ACTION: Granted, 6/20/2013.

ORDER NO. 2013-61

22. DOCKET NO. 03-19-13-14

Motion by the State Oil and Gas Board of Alabama to amend the State Oil and Gas Board of Alabama Administrative Code to adopt proposed Rule 400-1-9-.04 relating to Hydraulic Fracturing and to amend Rule 400-3-8-.03 relating to Hydraulic Fracturing of Coalbeds. The jurisdiction and authority of the State Oil and Gas Board of Alabama to promulgate regulations is set forth in Section 9-17-1 et seq. of the Code of Alabama (1975), specifically Section 9-17-6(c) of the Code of Alabama (1975).

ACTION: Continued, 6/20/2013.

23. 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

<u>Permit No.</u>	<u>Well Name</u>	<u>Location</u>
13389	U.S. Steel Corporation 21-13 #1	S21, T19S, R5W

ACTION: Continued until September 12, 2013 Board meeting, 6/20/2013.