## MINUTES OF

## STATE OIL AND GAS BOARD MEETING

Montgomery, Alabama July 8, 1955

A called meeting of the State Oil and Gas Board was held at Montgomery, Room 213, Department of Conservation Building, on Friday, July 8, 1955. The meeting was called to order by the Chairman, Mr. Lindsey C. Boney, at 10:30 A.M. The following were present for the meeting:

Mr. Lindsey C. Boney, Chairman

Mr. Hoble J. Russell, Board Member

Dr. Walter B. Jones, State Oil & Gas Supervisor, and

Secretary to the Board Mr. Robert W. Williams, Operator, Montgomery

Dr. Jones stated that the meeting had been properly advertised, as required by law.

Dr. Jones brought to the attention of the Board request of Stanolind Oil and Gas Company that Rule 9, Paragraph B, of Order No. 9 of the State Oil and Gas Board be temporarily rescinded in order that Stanolind might make up the shortage in production in the Pollard Field which was caused by the railroad strike. (Copy of letter from Stanolind Oil and Gas Company, dated June 30, 1955, is attached to these minutes.) After a discussion of this request, Mr. Russell moved that the request to make up production lost in the Pollard Field because of the railroad strike be denied. Mr. Boney seconded, and the motion passed.

Mr. Boney moved that the Mo. 1, the Mo. 2, and the Mo. 3 Shepherd Estate wells, for which emergency approval to drill had been given on June 24, 1955, be granted permanent approval, with the proviso that no two wells will be permitted to produce from the same horizon on the same 40-acre unit. Mr. Russell seconded the motion, and the motion carried.

The locations of these three wells are as follows:

- (1) No. 1 J. C. Shepherd Estate, Center of SEt of With of Section 21, T 16 S, R 11 W, Fayette County, by the Warrior Basin Oil Company.
- (2) No. 2 J. C. Shepherd Estate in Center of SW1 of ME1 of Menter 21, T 16 S, R 11 W, Fayette County, by Messrs. W. F. Peyton and Murray L. Smith.
- (3) No. 3 J. C. Shepherd Estate in Center of NW of SE of NE of Section 21, T 16 S, R 11 W, Fayette County, by Messrs. W. F. Peyton and Murray L. Smith.

Mr. Boney moved that permanent approval be given to the No. 1 Donovan, for which emergency approval had been granted on June 24, 1955. The location of the No. 1 Donovan is as follows:

330 feet North and 330 feet West of the SE Corner of the  $SW_{\frac{1}{k}}$  of the  $SW_{\frac{1}{k}}$  of Section 25, T 2 N, R 3 W, Mobile County. Zach Brooks Drilling Company et al, El Dorado, Arkansas, is operator.

Mr. Russell seconded the motion, and the motion carried.

Request for emergency approval for the drilling of the No. 1-S Sallie M. Powe and W. S. Scruggs, 220 feet North of South line and 660 feet West of East line of NE of NW of Section 21, T 10 N, R 2 W, Choctaw County, by Magnolia Petroleum Company was requested. Mr. Boney moved that emergency approval be granted to Magnolia Petroleum Company to drill the above well; Mr. Russell seconded, and the motion carried.

Mr. Robert W. Williams, Montgomery, presented to the Board his plans for a drilling program in the state. The matter of whether or not the well he is currently drilling in Bullock County constitutes part of a core-drilling program, or whether or not it is necessary for a permit and bond to be obtained to cover the drilling of this well, was discussed with the Board.

The members of the Board concluded that this well, which is being drilled near the No. 1 Gholston in Bullock County, should be covered by permit and bond. Mr. Williams was instructed to forward bond, permit fee, and Form A-1, APPLICATION FOR PERMISSION TO DRILL, to the office of the Oil and Gas Board as soon as possible. The Board requested that Mr. Williams furnish all necessary forms and permit fee on all wells drilled in the future which would penetrate possible oil or gas bearing horizons.

The Board reiterated their basic policy, according to the interpretation of the Alabama statute, namely, that "a core hole is one drilled for information only and which does not cut possible oil or gas bearing horizons."

Mr. Boney moved that the meeting be adjourned, as there were no further items on the agenda. Mr. Russell seconded the motion, and the motion carried. The meeting was adjourned at 11:45 A.M.

Walter B. Jones - Secretary