

BEFORE THE STATE OIL AND GAS BOARD OF ALABAMA JUN 29 1989

PURSUANT TO A DECISION RENDERED
FOLLOWING A REGULAR SESSION OF THE
STATE OIL AND GAS BOARD OF ALABAMA
ON JUNE 29, 1989, THE FOLLOWING
ORDER IS HEREBY PROMULGATED:

LEGAL DIVISION

IN RE: ORDER NO. EMER 89-99

DOCKET NO. 6-27-894B

This cause came on for hearing before the State Oil and Gas Board of Alabama on the amended petition of Taurus Exploration, Inc., an Alabama corporation, requesting the State Oil and Gas Board to enter an emergency order approving an exceptional location for a coal degasification well drilled in the Oak Grove Coal Degasification Field, Jefferson County, Alabama, and the Board finds that due and proper notice of the hearing of said cause has not been given in the manner and form and for the time required by law and the rules and regulations of this Board, and that the Board has full jurisdiction of this cause under its emergency rule making authority, and the Board having reviewed the evidence of witnesses and argument of counsel, and being fully advised in the premises finds:

FINDINGS OF FACT

I.

That Petitioner drilled the UA-TAURUS-89-19-06-18-10 Well No. 520, Permit No. 6422-C, 1448 feet from the South line and 1665 feet from the East line of Section 18, Township 19 South, Range 6 West, Jefferson County, Alabama, in the Oak Grove Coal Degasification Field, on an 80-acre unit consisting of the W/2 of SE/4 of said Section 18. Petitioner has filed a companion petition seeking to reform the unit for said well to the N/2 of SE/4 of said Section 18.

II.

That Rule 4B of the Special Field Rules for the Oak Grove Coal Degasification Field requires all wells to be located at least 150 feet from every exterior boundary of the unit; but as drilled, Petitioner's location is only 122 feet from the South line of the proposed reformed unit, and Petitioner requests that its location

be approved as an exception to the Special Field Rules for the Oak Grove Coal Degasification Field.

III.

That granting the petition will prevent waste, protect coequal and correlative rights, and promote the development of natural resources.

IV.

This matter is presented on an emergency basis in accordance with Section 9-17-7(C), Code of Alabama (1975), and Rule 400-1-12-.03 of the State Oil and Gas Board of Alabama Administrative Code, in order to bring the above-described well into immediate compliance with the Special Field Rules and Petitioner will then be authorized to complete said well and put it on production. Any further delay in completing this well will result in economic waste and serve no useful purpose in the overall orderly development of the Field. A delay to the next regularly scheduled hearing of this Board will cause "waste" as that term is defined in Section 9-17-1(9), Code of Alabama (1975).

CONCLUSIONS OF LAW

Based on the Findings of Fact set forth hereinabove, IT IS THEREFORE, HEREBY ORDERED, ADJUDGED AND DECREED by the State Oil and Gas Board of Alabama that the Petition is GRANTED. Said Petition is granted to approve a well location 1448' FSL and 1665' FEL of Section 18, Township 19 South, Range 6 West, Jefferson County, Alabama, as an exception to the Special Field Rules for the Oak Grove Coal Degasification Field for said UA-TAURUS-89-19-06-18-10 Well No. 520.

The Petition is granted with the stipulation that the well is subject to proration.

ORDERED ON AN EMERGENCY BASIS this 27th day of June, 1989.

STATE OIL AND GAS BOARD OF ALABAMA

BY: Ralph Adams
Dr. Ralph Adams, Chairman

BY: Gaines C. McCorquodale
Gaines C. McCorquodale, Member

BY: Matthew S. Metcalfe
Matthew S. Metcalfe, Member

ATTEST:

Ernest A. Mancini
Ernest A. Mancini, Secretary