BEFORE THE STATE OIL AND GAS BOARD OF ALABAMA

PURSUANT TO A DECISION RENDERED FOLLOWING A REGULAR SESSION OF THE STATE OIL AND GAS BOARD OF ALABAMA ON SEPTEMBER 14, 1990, THE FOLLOWING ORDER IS HEREBY PROMULGATED:

IN RE: ORDER NO. 90-374 DOCKET NO. 9-13-90103B

This cause came on for hearing before Marvin Rogers, General Counsel for the Board, acting as hearing officer duly appointed by the State Oil and Gas Board of Alabama, pursuant to Rule 400-1-14 of the State Oil and Gas Board of Alabama Administrative Code, on amended petition of Bernard/Hickox, Inc., corporation, requesting the State Oil and Gas Board to enter an order approving a drilling unit to be drilled as a productive extension of the Pollard Field as an exception to Rule 3(B) of the Special Field Rules for the Pollard Field, Escambia County, The State Oil and Gas Board, after receiving and reviewing the report of the hearing officer and considering the evidence finds that due and proper notice of the hearing of said cause has 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, and the Board being fully advised in the premises finds:

FINDINGS OF FACT

I.

That Petitioner proposes to drill a well 330 feet FWL and 165 feet FSL of Section 7, Township 1 North, Range 9 East, Escambia County, Alabama, on a 40-acre drilling unit consisting of the Southwest Quarter of the Southwest Quarter of said Section 7.

II.

Rule 3(B) of the Special Field Rules for the Pollard Field requires all wells to be located at least three hundred thirty (330) feet from any exterior boundary of the drilling unit. The proposed well is proposed as a productive extension of said Pollard Field.

That the proposed 40-acre drilling unit and the location thereon is the optimum geological drilling unit. Therefore, Petitioner requests that its proposed 40-acre drilling unit drilled as a productive extension of the Pollard Field be approved as an exception to Rule 3(B) of the Special Field Rules for the Pollard Field.

IV.

That the granting of the petition will prevent waste, avoid the drilling of unnecessary wells, and protect the coequal and correlative rights of all owners in the proposed drilling unit.

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 as a productive extension of the Pollard Field located 330 feet FWL and 165 feet FSL of Section 7, Township 1 North, Range 9 East, Escambia County, Alabama, as an exception to Rule 3(B) the Special Field Rules for the Pollard Field, Escambia County, Alabama.

ORDERED this 4th day of October , 1990.

STATE OIL AND GAS BOARD OF ALABAMA

RV:

Dr. Ralph Adams, Chairman

DV.

Gaines C. McCorquodale, Member

mon paka

Matthew S / Metcalfe, Member

ATTEST:

Ernest A. Mancini, Secretary