

BEFORE THE STATE OIL AND GAS BOARD OF ALABAMA

PURSUANT TO A DECISION RENDERED DURING A
REGULAR SESSION OF THE STATE OIL AND GAS
BOARD OF ALABAMA ON APRIL 12, 1996, THE
FOLLOWING ORDER IS HEREBY PROMULGATED:

IN RE: ORDER NO. 96-88

DOCKET NO. 4-10-9611

This cause came on for hearing before the State Oil and Gas Board of Alabama on the petition of SONAT EXPLORATION COMPANY, a Delaware corporation, authorized to do and doing business in the State of Alabama, requesting the State Oil and Gas Board to enter an order reforming an 80-acre unit to a 40-acre unit in the White Oak Creek Coal Degasification Field, Tuscaloosa, Walker and Jefferson Counties, Alabama. The State Oil and Gas Board 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 is the Operator of the USX 30-14-87 Well, Permit No. 10967-C, located on an 80-acre unit consisting of the South Half of the Southwest Quarter of Section 30, Township 17 South, Range 7 West, Walker County, Alabama, in the White Oak Creek Coal Degasification Field.

II.

That in order to drill an additional well to increase the recovery of coalseam gas, Petitioner requests that the above-described 80-acre unit be reformed to a 40-acre unit consisting of the Southeast Quarter of the Southwest Quarter of said Section 30, Township 17 South, Range 7 West, Walker County, Alabama, in the White Oak Creek Coal Degasification Field.

III.

That the mineral ownership in the existing above-described 80-acre unit for the USX 30-14-87 Well is common in that USX Corporation owns all the mineral rights in said 80-acre unit, and approved the reformation of said unit in order to allow Petitioner to drill an additional well.

CONCLUSIONS OF LAW

IV.

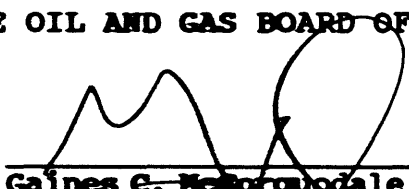
That granting this petition will prevent waste, avoid the drilling of unnecessary wells, and protect the coequal and correlative rights of all owners in the proposed unit.

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 be GRANTED. Said Petition is granted reforming the unit for the USX 30-14-87 Well, Permit No. 10967-C, from an 80-acre unit to a 40-acre unit consisting of the Southeast Quarter of the Southwest Quarter of Section 30, Township 17 South, Range 7 West, Walker County, Alabama, in the White Oak Creek Coal Degasification Field.

ORDERED this 12th day of April, 1996.

STATE OIL AND GAS BOARD OF ALABAMA


BY:


Gaines E. McCorquodale, Chairman

BY:


Matthew S. Matcalfe, Member

ATTEST:


James D. Moore, Acting Secretary