JABSCO OIL OPERATING, LLC

DOCKET NOS. 11-1-16-03

<u>EXHIBIT A</u> AFFIDAVIT OF PUBLICATION PICKENS COUNTY HERALD

EXHIBIT B AFFIDAVIT OF NOTICE

EXHIBIT C TECHNICAL EXHIBIT NOS. 1 - 6 (Revised)

Prepared by or at the direction of Adam Lang

November 1, 2016

STATE OIL AND GAS BOARD
Exhibit No. A.B. C. I-Le
Petition By Jahres Oil
Item No. 5 Date 1-1-16
Testimony Of
Received By INR

EXHIBIT "A"

Ann Gates

Business Manager

Bo Black Managing Editor

PICKENS COUNTY HERALD

P.O. Box 390 • Carrollton, Alabama 35447 205-367-2217 E-MAIL: pickenscnty@centurytel.net AFFIDAVIT OF PUBLICATION OF LEGAL NOTICE

STATE OF ALABAMA PICKENS COUNTY

Before me, a Notary Public in and for the county and state above listed, personally appeared <u>Bo Black</u>, who, by me duly sworn, deposes and says that:

My name is <u>Bo Black</u>. I am the Managing Editor of the Pickens County Herald. The Herald is printed in the English language, has a general circulation and its principal editorial office in the county above listed and has been mailed under a publication class mailing privilege of the United States Postal Service from the post office where it is published at least 51 weeks a year.

The Herald published the attached legal notice in the issue(s) of: 0×12 , 2016. A copy of the paper containing the notice was mailed or e-mailed to the person or official placing the legal notice. (If the post office address of the person to whom the notice is directed can be ascertained, a copy should be mailed by the person or official placing the advertisement to the person to whom the notice was directed).

The sum charged for these publications was $\frac{900.69}{100.69}$. The sum charged by the Herald for said publication does not exceed the lowest classified rate paid by commercial customers for an advertisement of similar size and frequency in the same newspaper in which the public notice appeared.

There are no agreements between the Herald and the officer of attorney charged with the duty of placing the attached legal advertising notices whereby any advantage, gain or profit accrued to said officer of attorney

STATE OIL AND GAS BOA AFFIANT My Commission Expires Petition By 01/14/2017 Sworn and subscribed on Octol 2016 Item No. Date tio Maris Attin MOTARY PUBLIC Testimony O Received By

LEGAL NOTICE NOTICE OF MEETING

The State Oil and Gas Board of Alabama will hold its regular hearing at 10:00 a.m. on Tuesday, November 1, 2016, and Thursday, November 3, 2016, in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama, to consider among other items the following petitions:

DOCKET NO. 11-1-16-01

Petition bv LAND AND NAT-URAL RE-SOURCE DEVELOPMENT, INC., an Alabama corporation, requesting the State Oil and Gas Board of Alabama ("the Board") to enter an order pursuant to Sections 9-17-1 through 9-17- 32 and `. 9-17-80 through 9-17-88 of the Code of Alabama (1975), approving the plans for a partial fieldwide oil Unit for the Chicken Swamp Branch Oil Field to be known as the "Chicken Swamp Branch Oil Unit," consisting of the hereinafter "Unit described Area" in Pickens County, Alabama, and requiring the operation of said Unit Area as a sin-

gle partial fieldwide Unit for pressure maintenance, enhanced recovery, development and production of oil, gas,

gaseous substances, condensate, distillate and all associated and constituent liquid or liquefiable substances within or produced from the Unitized Formation in order to prevent waste, to maximize recovery of the unitized substances, to avoid the drilling unnecessary wells and to protect correlative rights of interested parties.

The "Unitized Formation" within the Unit Area for the proposed Chicken Swamp Branch Oil Unit is designated as the Pottsville Formation which includes the Pottsville A Sand Oil Pool defined as the productive interval found between the depths of 4,606 feet measured depth (MD) and 4,646 feet measured depth (MD) in the Windham 35-7 No. 2 Well, Permit No. 16269; with a surface location 1,670 feet from the North line and 1,900 feet from the East line of Section 35, Township 18 South, Range 15 West, Pickens County, Alabama, as defined by the Array Induction log for said well, including those strata which can be correlated therewith and which are in communication therewith and all productive ... extensions thereof, or such other enlarged interval as may be ordered by the Board.

The proposed "Unit Area" is designated as the following described areas: South Half of the Southeast Quarter and the Southeast Quarter of the Southwest Quarter of Section 21; South Half of the Southwest Quar-

ter and the Northwest Ouarter of the Southwest Quarter of Section 26; South Half of the Northeast Quarter and the Southeast Quarter and West Half of Section 27; East Half and the East Half of Northwest Quarter of Section 28; North Half: Southeast . Quarter; East Half of the Southwest Quarter; Northwest Quarter of Southwest Quarter of Section 34; West Half; Southeast Quarter; West Half of the Northeast Quarter; and the Southeast Quarter of the Northeast Quarter of Section 35; Southwest Quarter of the Southwest Quarter of Section 36; all in Township 18 South, Range 15 West; Northwest Quarter and the Northwest Quarter of the Southwest Quarter of Section 1; North Half and the North Half of the South Half of Section 2; and North Half of the Northeast Quarter and the Southeast Quarter of the Northeast Quarter of Section 3, all in Township 19 South, Kange 15 West, all in Pickens County, Alabama, in the Chicken Swamp Branch Oil Field, containing approximately 3,240 acres, more or less. Said petition fur-

ther seeks entry of an order by the Board unitizing, pooling and integrating the Unit Area, as underlain by the above described Unitized Formation, into a partial fieldwide Unit so as to require, when approved, all owners or claimants of royalty, mineral, leasehold and all other interests within said

partial field-wide Unit to unitize, pool and integrate their interests and develop their lands or interests within the Unit Area as a Unit.

Said petition further seeks to have Land and Natural Resource Development, Inc. designated as operator of the Unit Area in accordance with the laws of the State of Alabama and seeks an order from the Board approving the form of the Unit Agreement and Unit Operating Agreement.

Said petition also seeks approval of the amendments to the Special Field Rules for the Chicken Swamp Branch Oil Field in order to conform to the provisions of the aforementioned Unit Agreement and Unit Operating Agreement.

This petition is filed as a companion to a petition bearing Docket No. 11-1-16-02 requesting to amend Rule 1 of the Special Field Rules for the Chicken Swamp Branch Oil Field to add certain parcels which are not presently in said Field but which are included within the proposed Chicken Swamp Branch Oil Unit.

DOCKET NO. 11-1-16-02

Petition by LAND AND NATURAL RESOURCE DE-VELOPMENT, INC., an Alabama corporation, requesting the State Cil and Gas Board of Alabama ("the Board") to enter an order amending Rule 1 of the Special Field Rules for the Chicken Swamp Branch Oil Field to add the following described parcels to the field limits of said field:

South Half of the Southeast Quarter & Southeast Quarter of the Southwest Quarter of Section 21; East Half of Northwest Quarter of Section 28; Southeast Quarter of Southwest Quarter & Southwest Quarter of Southeast Quarter of Section 34, all in Township 18 South, Range 15 West, and Northwest Quarter of the Southwest Quarter of Section 1 and the Northwest Quarter of Northeast Quarter & Southeast Quarter of Northeast Quarter of Section 3, all in Township 19 South, Range 15 West, Pickens County, Alahama.

This petition is filed as a companion to a petition bearing Docket No. 11-1-16-01 requesting approval of the plans to establish the Chicken Swamp Branch Oil Unit in the Chicken Swamp Branch Oil Field, and the abovedescribed parcels are requested to be included within the proposed Chicken Swamp Branch Oil Unit.

DOCKET NO. 11-1-16-03

Petition by JAB-SCO OIL OPERAT-ING, LLC, an Alabama limited liability company, requesting the State Oil and Gas Board to enter an order approving a non-governmental 320-acre production unit for re-completion of the McShan 32-3 #1 Well, Permit No. 11849, the 📜 in

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Pottsville A Sand Gas Pool in the Buncomb Creek Field, consisting of the North Half of the Southwest Quarter and the Northwest Quarter of Section 32, and the South Half of the Southwest Quarter of Section 29, all in Township 18 South, Range 15 West, Pickens County, Alabama, in accordance with Rule 3(a) of the Special Field Rules for said Field.

The public is further advised that, pursuant to this hearing, the applicable provisions of the Code of Alabama (1975), and the State Oil and Gas Board of Alabama Administrative Code, the Board will enter such Order or Orders as in its judgment may be necessary in accordance with the evidence submitted and accepted.

Hearings of the State Oil and Gas Board are public hearings, and members of the public are invited to attend and present their position concerning petitions.

For additional information, you may contact · Marvin Rogers, General Counsel for the State Oil and Gas Board, P.O. Box 869999, Tuscaloosa, Alabama 35486-6999, Telephone Number (205) 247-3680, Fax Number (205) 349-2861, or by email at mrogers@ogb.state.a l.us. Requests to continue or oppose a petition should be received by the Board at least two (2) days prior to the hearing. The public should be aware that a petition may be set for hearing on the first day or second day of the hearing or may be continued to another hearing at a later date. We suggest that prior to the hearing, interested parties contact the Board to determine the status of a particular petition.

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EXHIBIT "B"

STATE OF ALABAMA }

TUSCALOOSA COUNTY }

AFFIDAVIT OF NOTICE

COMES NOW William T. Watson, attorney for Jabsco Oil Operating, LLC, who, after being duly sworn on his oath, states the following:

That on behalf of Jabsco Oil Operating, LLC, I filed a petition bearing Docket No. 11-1-16-03 with the State Oil and Gas Board of Alabama. Notice of said petition was mailed, by ordinary first class mail, postage paid, to the following named persons at least fifteen (15) days prior to the scheduled hearing of the petitions. A plat showing the 320-acre unit for the McShan 32-3 #1 Well was also mailed with the notice to the following named persons. The persons notified are the working and royalty owners in the Southwest Quarter of Section 29 and the West Half of Section 32, all in Township 18 South, Range 15 West, Pickens County, Alabama, and other operators in the Buncomb Creek Field.

The notices were mailed to the persons listed on Exhibit "A," attached hereto and made a part hereof. Also attached hereto, labeled Exhibit "B," and made a part of this Affidavit is a true copy of the notice mailed to the aforementioned persons.

Further Affiant saith not.

WILLIAM T. WATSON

Sworn to and subscribed before me this 124 day of October, 2016.

Notary Public

My Commission Expires: 11-04-2017

Sworn to and subscribed be
STATE OIL AND GAS BOARD
Exhibit No.
Petition By OctoSCO
Item No. 5 Date 11-1-16
Testimony Of Watro
Received By MR

Re: Jabsco Oil Operating, LLC Docket No. 11-1-16-03

Jabsco Oil, LLC 4100 Joe Mallisham Parkway Tuscaloosa, Alabama 35401

Mr. Gary Kornegay P O Box 841286 Houston, Texas 77284

JC Properties LTD 8111 Preston Road, Suite 420 Dallas, Texas 75225

Mr. K. W. Jones, Jr. P O Box 4025 Gulf Shores, Alabama 36547

John I. Kieckhefer 1965 Trust P O Box 1151 Prescott, Arizona 86302

John W. Kieckhefer 1993 Revocable Trust P O Box 1151 Prescott, Arizona 86302

Kieckhefer Partnership 84-1 P O Box 1151 Prescott, Arizona 86302

Kieckhefer Trust Partnership 61-1 P O Box 1151 Prescott, Arizona 86302

Rick C. Kieckhefer 1996 Revocable Trust P O Box 1151 Prescott, Arizona 86302

Eugene P. Polk 1968 Revocable Trust P O Box 1151 Prescott, Arizona 86302

Re: Jabsco Oil Operating, LLC Docket No. 11-1-16-03 Page 2

Julie M. Polk 1978 Revocable Trust P O Box 1151 Prescott, Arizona 86302

Kenneth E. Polk 1977 Revocable Trust P O Box 1151 Prescott, Arizona 86302

Thomas E. Polk 1977 Revocable Trust P O Box 1151 Prescott, Arizona 86302

Shore Energy, L.L.C. 26 Crestwood Drive Houston, Texas 77007

Mrs. Brenda Hall Everett 3200 Apache Drive Camden, Arkansas 71701

Ms. Ida Kathryn W. Searcy 4206 Bear Tree Drive Little Rock, Arkansas 72223

Ms. Mary Jo W. Scott 115 Summit Place El Dorado, Arkansas 71730

Ms. Shannon Ratliff, guardian of Hazel Diane O'Dell 5905 North Hills Blvd. North Little Rock, Arkansas 72116

Bettye McShan Baumhauer Trust Janie Melissa Allgood et al P O Box 27 McShan, Alabama 35471

Re: Jabsco Oil Operating, LLC Docket No. 11-1-16-03 Page 3

J T McShan Trust F/B/O Betty Baumhauer Mark Junkins et al, Trustees P O Box 27 McShan, Alabama 35471

Melissa McShan Allgood P O Box 47 McShan, Alabama 35471

John Tyler McShan, IV P O Box 1 McShan, Alabama 35471

Elizabeth M. Budd 2994 Devonshire Place Atlanta, Georgia 30327

Hunter Clements McShan P O Box 27 McShan, Alabama 35471

Doris W. Walters P O Box 945 Reform, Alabama 35481

Land and Natural Resource Development, Inc. P O Box 2674 Tuscaloosa, Alabama 35403

L&NRD Holdings, LLC P O Box 2674 Tuscaloosa, Alabama 35403

Twin Resources, LLC P O Box 243 Longview, Texas 75606

Re: Jabsco Oil Operating, LLC Docket No. 11-1-16-03 Page 4

McShan Timberlands, LLC P O Box 1 McShan, Alabama 35471

Ms. Bobbie Huff Spain 2860 Pickens County Road 34 Millport, Alabama 35576

NOTICE OF MEETING

The State Oil and Gas Board of Alabama will hold its regular hearing at 10:00 a.m. on Tuesday, November 1, 2016, and Thursday, November 3, 2016, in the Board Room of the State Oil and Gas Board, Walter B. Jones Hall, University of Alabama Campus, 420 Hackberry Lane, Tuscaloosa, Alabama, to consider among other items the following petition:

DOCKET NO. 11-1-16-03

Petition by JABSCO OIL OPERATING, LLC, an Alabama limited liability company, requesting the State Oil and Gas Board to enter an order approving a non-governmental 320-acre production unit for re-completion of the McShan 32-3 #1 Well, Permit No. 11849, in the Pottsville A Sand Gas Pool in the Buncomb Creek Field, consisting of the North Half of the Southwest Quarter and the Northwest Quarter of Section 32, and the South Half of the Southwest Quarter of Section 29, all in Township 18 South, Range 15 West, Pickens County, Alabama, in accordance with Rule 3(a) of the Special Field Rules for said Field.

The public is further advised that, pursuant to this hearing, the applicable provisions of the *Code of Alabama* (1975), and the *State Oil and Gas Board of Alabama Administrative Code*, the Board will enter such Order or Orders as in its judgment may be necessary in accordance with the evidence submitted and accepted.

Hearings of the State Oil and Gas Board are public hearings, and members of the public are invited to attend and present their position concerning petitions. However, you may elect to submit your comments in writing regarding a particular item before the Board. YOU ARE NOT REQUIRED TO ATTEND NOR ARE YOU REQUIRED TO MAKE ANY WRITTEN COMMENTS. For additional information, you may contact Marvin Rogers, General Counsel for the State Oil and Gas Board, P.O. Box 869999, Tuscaloosa, Alabama 35486-6999, Telephone Number (205) 247-3680, Fax Number (205) 349-2861, or by email at mrogers@ogb.state.al.us. Requests to continue or oppose a petition should be received by the Board at least two (2) days prior to the hearing. The public should be aware that a petition may be set for hearing on the first day or second day of the hearing or may be continued to another hearing at a later date. We suggest that prior to the hearing, interested parties contact the Board to determine the status of a particular petition.

STATE OIL & GAS BOARD OF ALABAMA 420 Hackberry Lane P.O. Box 869999 Tuscaloosa, Alabama 35486-6999 Berry H. (Nick) Tew, Jr. Secretary to the Board State Oil and Gas Supervisor

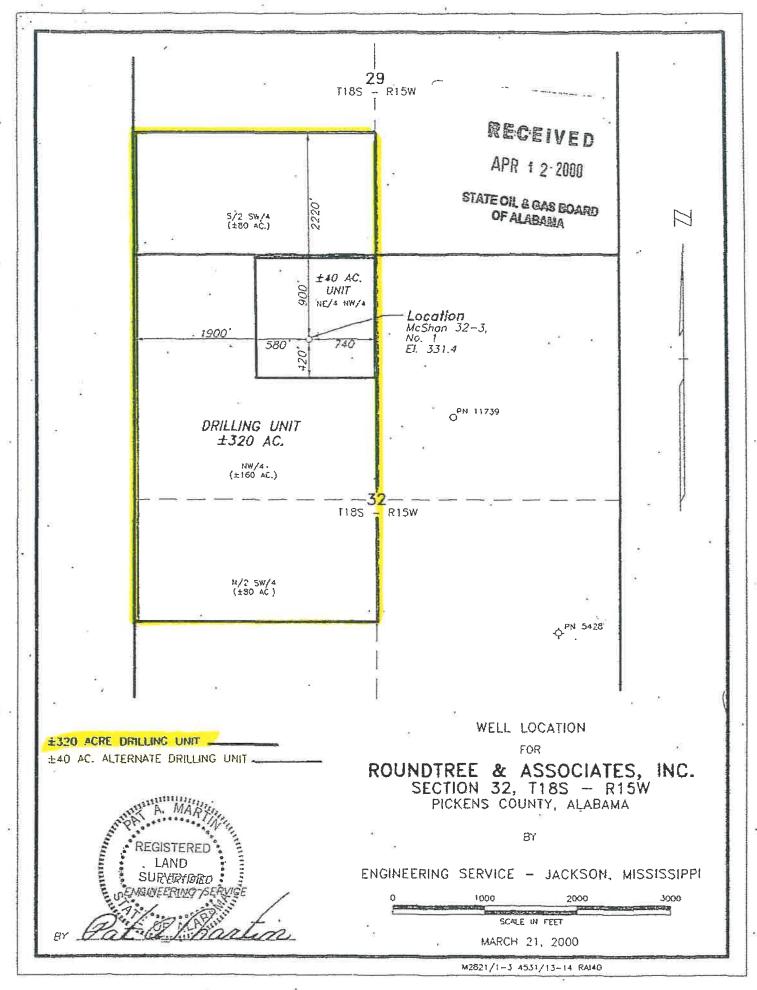


EXHIBIT "C"

JABSCO OIL OPERATING, LLC

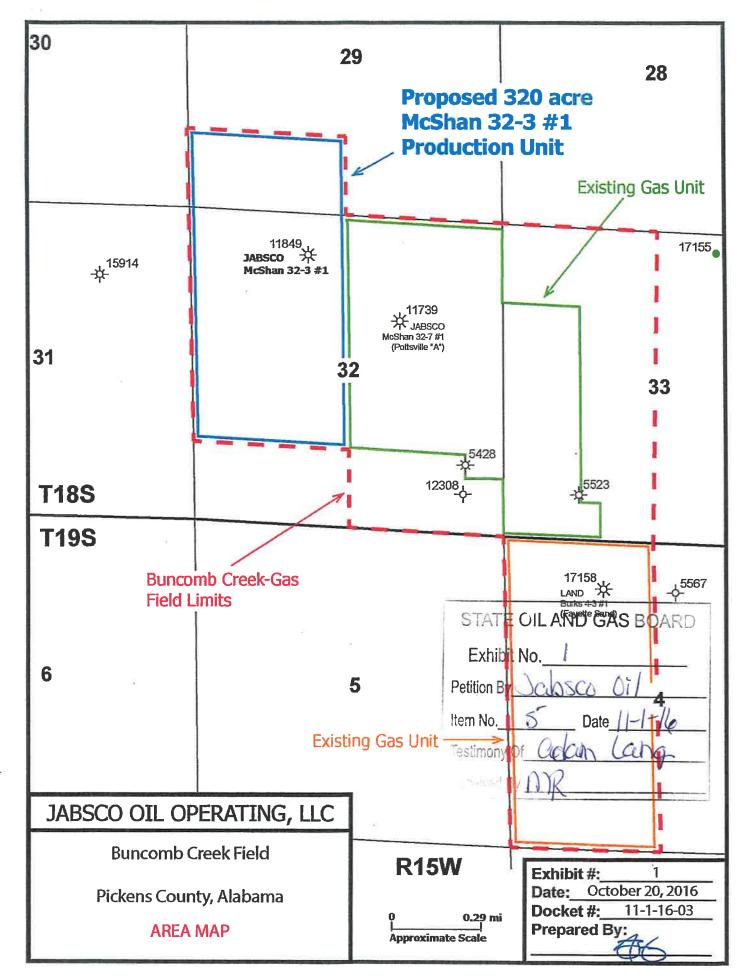
DOCKET NO. 11-1-16-03

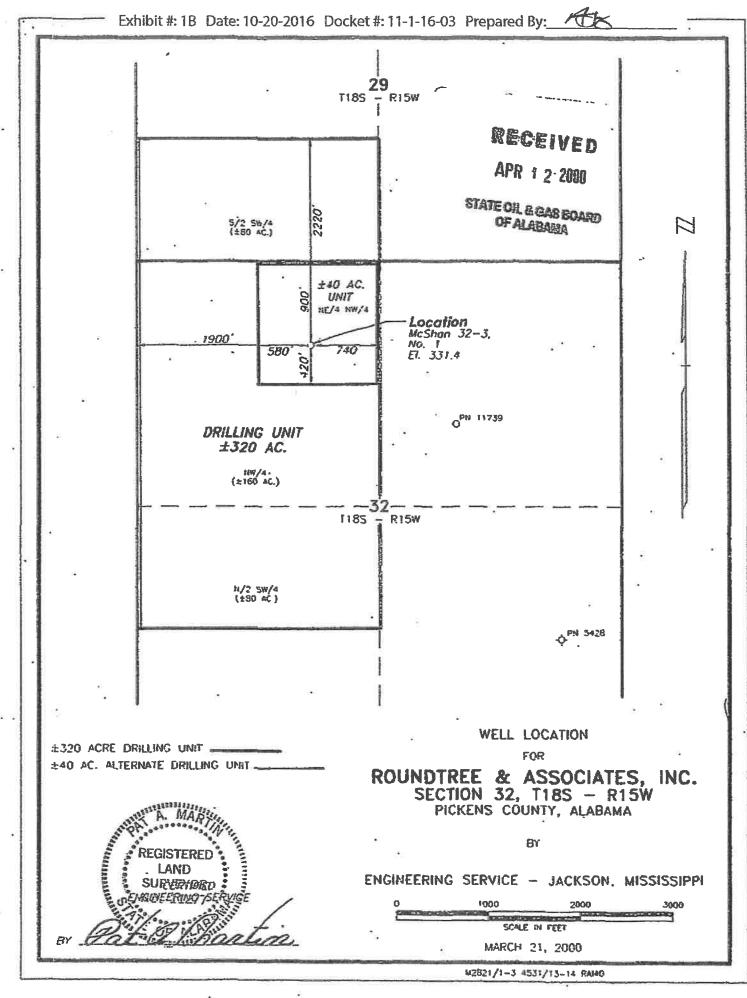
TECHNICAL EXHIBIT NOS. 1 - 6 (Revised)

Prepared by or at the direction of Adam Lang

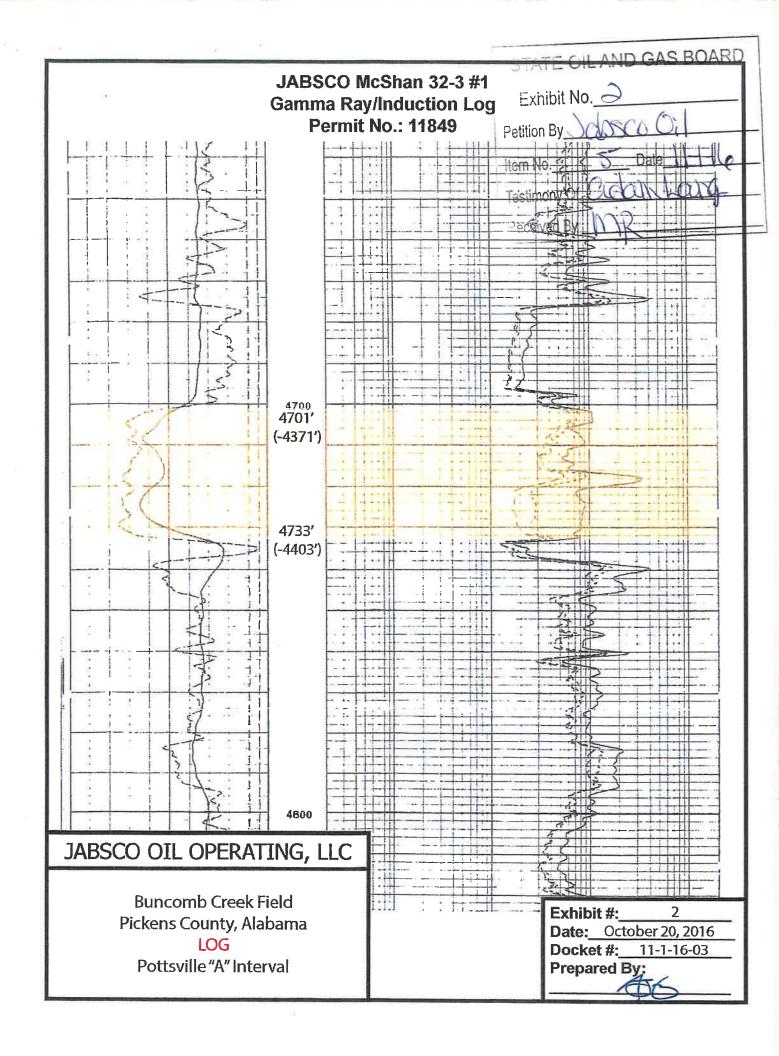
October 20, 2016

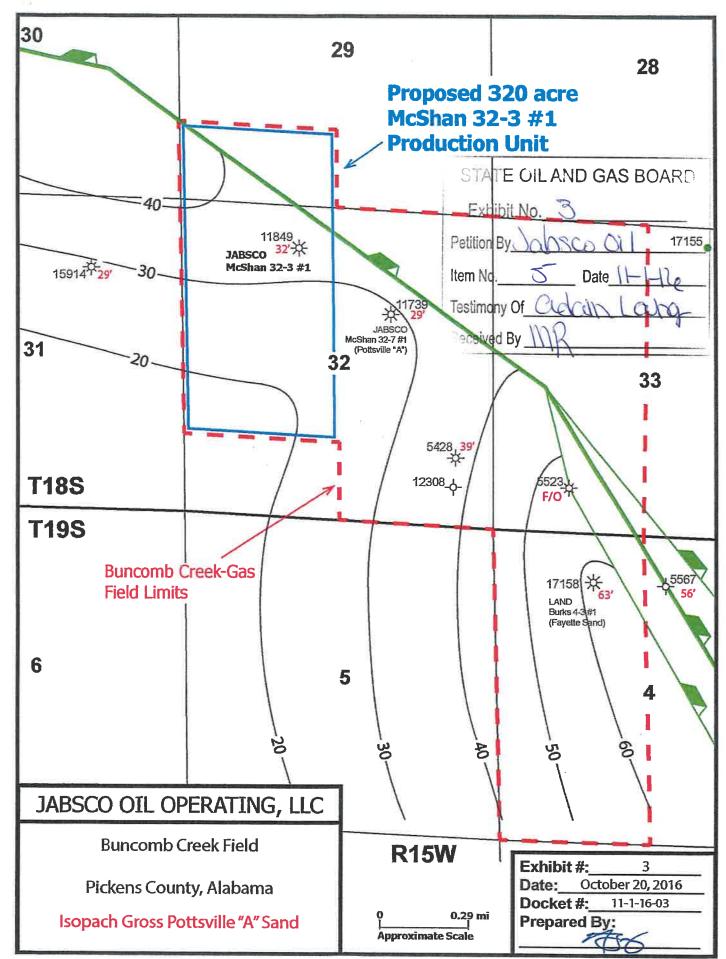
STATE OIL AND GAS BOARD
Exhibit No
Petition By Scusso
Item No. 5 Date 11-1-16
Testimony Of
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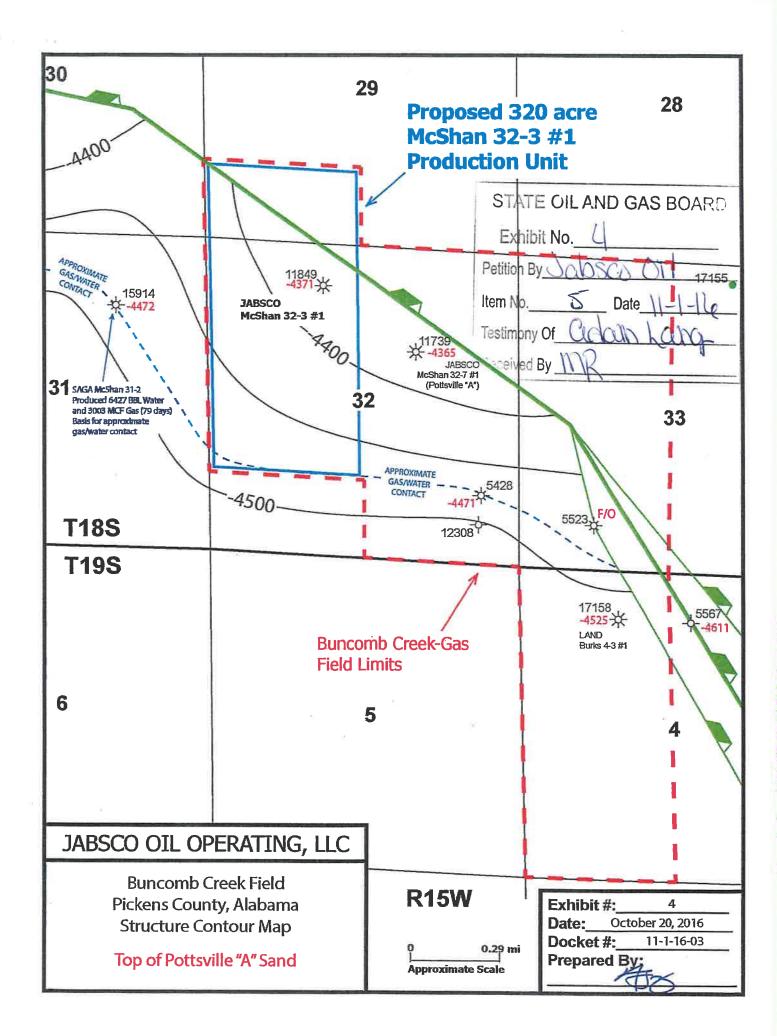




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Name of operator Saga	Petroleum Limited Liabili	• •			
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Address 21922 Highw			State A	μ2ιρ	1110
Well name and number					
Well location (section, tow	mship, range or tract) Sec 31.	, Twn 18S, Rng	<u>15W</u> Co	ounty Pickens	
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Gas-liquid ratio		cf/bbl			
Choke: size 64/64	type adjustable		Opening meter reading		bbls
Final flowing tubing pres	sure 0	psig	Closing meter reading		bbis
Casing pressure during te	est 30	psig	Difference		
B.S. & W.	percent; Water 171	bbis	Meter calibration factor		
	API; Specific gravity gas	-	Well stimulated prior to	this test: yes X	no
Amount of hydrocarbons			(If yes, subm	it Form OGB-6)	
	ate 0bbls; gas <u>95</u>	Mcf	Hydrocarbon analysis availa		
Amount of hydrocarbons			liquid: yes no X	gas: yes no X	
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regarding this form			Fax number 2054770		<
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Executed this the 20	day of November , 26	09	< LANG	Ladoin	· lan
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Before me, the unders	igned authority, on this day persor	bally appeared	rett Keener		
			n oath states that he/she is duly aut	thorized to make the above rep	orrand that he/she
has knowledge of the facts a	stated therein, and that said report	is true and correct.		N. 5.	
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My commission expires		Date: October	20, 2016 County	the opene of the	in a vary
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Production Record: McShan 31-2 (Permit No.: 15914)¹

Permit No.	15914		POTTSVILLE A Pool		
2009	Days Producing	Water	Gas (Mcf)	Gas Sales (Mcf)	Oil or Cond. (bbl)
07/2009	29	4,447	2,221	1,248	00
08/2009	19	1,944	782	303	00
09/2009	00	00	00	00	00
Annual	48	6,391	3,003	1,551	00
2011	Days Producing	Water	Gas (Mcf)	Gas Sales (Mcf)	Oil or Cond. (bbl)
10/2011	31	36	00	00	00
11/2011	00	00	00	00	00
Annual	31	36	00	00	00
2013	Days Producing	Water	Gas (Mcf)	Gas Sales (Mcf)	Oil or Cond. (bbl)
01/2013	00	00	00	00	00
02/2013	00	00	00	00	00
Annual	00	00	00	00	00
Cumulative	79	6,427	3,003	1,551	00
STATE OIL	AND GAS BO	DARD	58: 		
Exhibit No	le				
Petition By	bscubil				
Item No. 5	Date	-le			Exhibit #: 6 Date: 10-20-2016
Testimony Of	danlar	9		Do	ocket #: 11-1-16-03
Received By	R	4		Prepared	By: the

¹ "Individual Well Production by Pool," Permit Number 15914, Pottsville A Pool, State Oil and Gas Board of Alabama, accessed October 7, 2016, http://www.ogb.state.al.us/ogb /permit_bypool.aspx?PERMIT=15914&POOL_NAME=Pottsville%20A.