RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL & GAS DOCKET NO. 08-0247459 RE: THE APPLICATION OF DEVON ENERGY PRODUCTION CO., L.P. TO SUSPEND THE ALLOCATION FORMULA IN THE BEALL (ELLEN) FIELD, WARD COUNTY, TEXAS

FINAL ORDER

After statutory notice in the above-numbered docket heard on June 13, 2006, the Railroad Commission of Texas makes the following findings of fact and conclusions of law:

FINDINGS OF FACT

- 1. Notice of at least ten (10) days was given to all operators in the field and no one appeared at the hearing in protest.
- 2. The Beall (Ellen) Field is a non-associated field which was discovered in 1972. There are two wells in the field, one operated by Devon Energy Production Co., L.P. and one operated by Exxon Mobil Corporation.
- 3. All operators of producing wells in the subject field have 100% market demand for the gas produced from wells under their control.
 - a. Devon Energy Production Co., L.P. executed Form AOF-2 for the subject field.
 - b. Exxon Mobil Corporation did not execute Form AOF-2 but did not protest the application.
 - c. Devon's investigation of market conditions in the field did not reveal any curtailments of production due to lack of market.
 - d. Both wells in the field have the same gas gatherer.
- 4. Suspension of the allocation formula in the Beall (Ellen) Field will not cause a pipeline limitation.

CONCLUSIONS OF LAW

1. Proper notice was issued by the Railroad Commission of Texas to persons legally entitled to notice.

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- 2. All things have been done and occurred to give the Railroad Commission of Texas jurisdiction to decide this matter.
- 3. The subject field meets all the criteria established for suspension of the allocation formula under Statewide Rule 31(j).

Therefore, it is ORDERED by the Railroad Commission of Texas that the application of Devon Energy Production Co., L.P. for suspension of the allocation formula in the Beall (Ellen) Field is approved. The allocation formula may be reinstated administratively if the market demand for gas in the Beall (Ellen) Field drops below 100% of deliverability. If the market demand for gas in the Beall (Ellen) Field drops below 100% of deliverability while the allocation formula is suspended, the operator shall immediately notify the Commission and the allocation formula shall be immediately reinstated.

Done this 6th day of July, 2006.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated July 6, 2006)