

**RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION**

**OIL & GAS DOCKET
NO. 08-0248843**

**RE: APPLICATION OF WINDSOR ENERGY
GROUP, L.L.C. TO SUSPEND THE
ALLOCATION FORMULA IN THE BEALL
(DEVONIAN) FIELD, WARD COUNTY, TEXAS**

FINAL ORDER

After statutorily required notice in the above-numbered docket heard on September 26, 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 (Devonian) Field was discovered in 1974 at 12,239' subsurface depth.
 - a. The field is governed by Special Field Rules which provide for minimum well spacing of 1867'/3775', 640 acre density and an allocation formula based on 100% acreage. The field is classified as Associated-Prorated. There are no active oil wells in the associated "oil" field.
 - b. Currently there are three operators in the field and 3 active wells.
3. All operators of producing wells in the subject field have 100% market demand for the gas produced from wells under their control.
 - a. Windsor Energy Group and BTA Oil Producers executed Form AOF-2 indicating a 100% market for all the gas from their wells.
 - b. Exxon Mobil Corp. has one active well and according to Commission Production records indicates no gas production curtailments for the past 12 months. The status of the well as of August 1, 2006 is under-produced 322 MCF of gas.
4. Suspension of the allocation formula in the Beall (Devonian) 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.
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 Windsor Energy Group, L.L.C. for suspension of the allocation formula in the Beall (Devonian) Field is approved. The allocation formula may be reinstated administratively if the market demand for gas in the Beall (Devonian) Field drops below 100% of deliverability. If the market demand for gas in the Beall (Devonian) 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. Failure to give such notice to the Commission may result in a fine (as provided for in Tex. Nat. Res. Code §86.222) for each day the operators fail to give notice to the Commission.

Done this the 10th day of October, 2006.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by OGC
Unprotested Master Order dated October 10,
2006)**