RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 8A-0251807
IN THE SUNTURA (LOWER CLEAR FORK) FIELD, TERRY COUNTY, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF GREAT WESTERN DRILLING COMPANY
FOR UNITIZATION AND SECONDARY RECOVERY AUTHORITY
IN THE SUNTURA (LOWER CLEAR FORK) FIELD
TERRY COUNTY, TEXAS

The Commission finds that after statutory notice in the above-referenced docket heard on June 29, 2007, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and recommendation, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is ordered by the Railroad Commission of Texas that the Suntura (Lower Clear Fork) Unit in the Suntura (Lower Clear Fork) Fields, Terry County, Texas, as shown by plat submitted, be and is hereby approved as a Unit for secondary recovery purposes in the Suntura (Lower Clear Fork) Field, subject to the following terms and conditions:

1. The Railroad Commission of Texas retains all powers and duties with regard to conservation of oil and gas in this field, and no proration order of the Commission will be promulgated pursuant to the terms of the unit agreement; and the allocation formula for the wells included in the agreement shall remain and continue in full force and effect as if the agreement had not been approved.

2. The proration units as established for the individual wells within the unitized area prior to the approval of the unitization agreement are hereby adopted, approved, and continued in effect for allowable allocation purposes for such wells unless the unit operator elects to revise the proration units.

3. For proration purposes, the unitized area will be considered a single tract.

4. The unit operator shall file with the Railroad Commission, in addition to the production report for the unit, a supplemental production report for each individual tract that is committed to the unit where any non-unitized interest exists, showing all things pertinent so that the owner of such non-unitized interest may have access to public records showing the status of his interest. The Supplemental Production Reports will document oil and gas production.
volumes determined by the method set out in the adopted findings of fact. Any 
development from this method must be submitted to the Director of the Oil and Gas 
Division or his delegate for approval, with notice to the non-unitized interest 
owner.

5. In order to protect unsigned ownership, when 100% of the royalty and working 
interest owners in a tract have not joined the unit the operator is not authorized 
to convert the last producing well on that tract to an injector unless an exception 
is granted after notice and hearing.

6. All injection authority and each injection well within the unitized area is hereby 
made subject to the terms and conditions of the Texas Water Code, §27.0511 
(Vernon 1988) if fresh water is used.

Further, it is ordered by the Railroad Commission of Texas that Great Western Drilling 
Company is hereby authorized to conduct secondary recovery operations on its Suntura 
(Lower Clear Fork) Unit, Suntura (Lower Clear Fork) Field, Terry County, Texas, subject to 
the following terms and conditions:

1. All injection authority within the unitized area previously granted by the 
Commission is hereby made subject to the terms and conditions of this order 
and the Environmental Services Section is hereby authorized to issue amended 
injection permits in accordance with normal procedure as necessary to reflect 
the terms and conditions contained in this order or as later directed by the 
Commission.

2. The operator may expand or modify the proposed injection facilities without 
additional hearing for Commission approval of such expansion or modification, 
with respect to secondary recovery authorization, but each injection well 
remains subject to the filing requirements of Statewide Rule 46 including 
Commission Form H-1, "Application to Inject Fluid Into a Reservoir Productive 
of Oil or Gas" for injection wells not previously permitted as such.

3. The unit operator must submit application for injection well permits to the 
Environmental Services Section and receive such permits prior to commencing 
injection pursuant to this order.

Done this 11th day of September, 2007.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed 
by OGC Unprotested Master Order 
dated September 11, 2007)