

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

**OIL AND GAS DOCKET
NO. 7B-0274945**

**COMMISSION CALLED HEARING TO
PROVIDE PARAGON CORPORATION
AN OPPORTUNITY TO SHOW CAUSE
WHY ITS INJECTION PERMIT
(PROJECT NO. F-18548) FOR THE
COOLEY -B- LEASE, WELL NO. 2,
MIGHTY QUINN (STRAWN) FIELD,
JONES COUNTY, TEXAS, SHOULD NOT
BE SUSPENDED, MODIFIED OR
TERMINATED FOR FAILURE TO
PROVIDE NOTICE AS REQUIRED BY
STATEWIDE RULE 46.**

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on March 30, 2012, the presiding examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law 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 proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies filed thereto, 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.

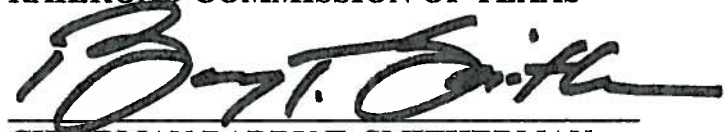
Therefore, it is **ORDERED** by the Railroad Commission of Texas that Paragon Corporation's Injection Permit No. 18548 for Well No. 2 on the Cooley -B- (29441) Lease, Mighty Quinn (Strawn) Field, Jones County, Texas, be **TERMINATED**.

Each exception to the examiners' proposal for decision not expressly granted herein is **OVERRULED**. All requested findings of fact and conclusions of law which are not expressly adopted herein are **DENIED**. All pending motions and requests for relief not previously granted or granted herein are **DENIED**.

This order will not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the parties are notified of the order.

Done this 21st day of August, 2012.

RAILROAD COMMISSION OF TEXAS



CHAIRMAN BARRY T. SMITHERMAN



COMMISSIONER DAVID PORTER



COMMISSIONER BUDDY GARCIA

ATTEST:



Kathy Way
SECRETARY