

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

**OIL AND GAS DOCKET  
NO. 03-0242323**

**IN THE GILBERT WOODS (9490)  
FIELD, JEFFERSON COUNTY, TEXAS**

**FINAL ORDER  
DENYING THE APPLICATION OF  
SQUARE MILE ENERGY, LLC.  
FOR PERMANENT GAS CLASSIFICATION OF THE  
APPELT ET AL UNIT, WELL NO. 1  
GILBERT WOODS (9490) FIELD  
JEFFERSON COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on April 19, 2005, the presiding examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record; 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 proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies 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 the application of Square Mile Energy, LLC. for PERMANENT classification of its Appelt et al Unit, Well No. 1, as a gas well in the Gilbert Woods (9490) Field, Jefferson County, Texas, be and is hereby **DENIED**.

It is further **ORDERED** by the Commission that the Square Mile Energy, LLC., Appelt et al Unit, Well No. 1, be and is hereby classified as a gas well in the Gilbert Woods (9490) Field, Jefferson County, Texas, so long as its producing characteristics meet all the criteria established for gas well classification under Statewide Rule 79(11). This well may be reclassified administratively as an oil well if its producing characteristics no longer meet all the criteria established for gas well classification under Statewide Rule 79(11).

It is further **ORDERED** by the Commission that the Gilbert Woods (9490) Field, Jefferson County, Texas be balanced as the date that this order becomes final and effective.

It is further **ORDERED** by the Commission that this order shall 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 of 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.

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 granted herein are denied.

Done this \_\_\_\_\_ day of \_\_\_\_\_, 2005.

**RAILROAD COMMISSION OF TEXAS**

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**Chairman Victor G. Carrillo**

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**Commissioner Michael L. Williams**

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**Commissioner Elizabeth A. Jones**

**ATTEST:**

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**Secretary**