RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION

OIL AND GAS DOCKET IN THE NEWARK, EAST (BARNETT
NO. 09-0277581 SHALE) FIELD, MONTAGUE, WISE,
CLAY, COOKE, DENTON AND JACK
COUNTIES, TEXAS

FINAL ORDER
APPROVING PERMANENT GAS CLASSIFICATION FOR WELLS IN THE
NEWARK, EAST (BARNETT SHALE) FIELD
MONTAGUE, WISE, CLAY, COOKE,
DENTON AND JACK COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket
heard on September 12, 2012, the presiding examiner has 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 examiner’s report and
recommendation, the findings of fact and conclusions of law contained therein, 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 all wells
completed in Montague, Wise, Clay, Cooke, Denton, and Jack Counties only, and with a
gas-oil ratio of 3,000 cubic feet per barrel and above in the Newark, East (Barnett Shale)
Field, are permanently classified as gas wells without the need of further administrative
review, effective the date of initial completion.

It is further ORDERED by the Railroad Commission of Texas that completion reports
for new oil and gas wells in this field and in Montague, Wise, Clay, Cooke, Denton, and
Jack Counties shall be considered timely filed if a Well Records Only completion report is
filed within 30 days of completion of the well and the Initial Potential completion report is
filed within 180 days of completion of the well. Compliance with these deadlines will result
in the backdating of allowable to the date of first production.

Done this 11th day of December, 2012.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by
OGC Unprotested Master Order dated
December 11, 2012)