RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 01-0262406 IN THE PEARSALL (AUSTIN CHALK) FIELD, FRIO COUNTY, TEXAS

FINAL ORDER
DENYING THE APPLICATION OF KIDD PRODUCTION CO.
FOR A FOR COMMERCIAL DISPOSAL AUTHORITY
PURSUANT TO STATEWIDE RULE 9
SILVA LEASE, WELL NO. 1
PEARSALL (AUSTIN CHALK) FIELD
FRIO COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on August 10, 2009 the presiding examiners have made and filed a report and proposal for decision 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 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 the application of Kidd Production Co. for commercial disposal authority pursuant to Statewide Rule 9 for the Silva Lease, Well No. 1, Pearsall (Austin Chalk) Field, Frio County, Texas, is hereby **DENIED**.

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 10th day of January, 2012.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN ELIZABETH AMES JONES

COMMISSIONER DAVID PORTER

COMMISSIONER BARRY T. SMITHERMAN

ATTEST:

Secretary