

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

**OIL & GAS DOCKET No. 01-0249266**

**THE APPLICATION OF KB HOMES LONE STAR, L.P.  
TO CONSIDER APPROVAL OF A QUALIFIED  
SUBDIVISION PURSUANT TO STATEWIDE RULE 76  
FOR A 33.6 ACRE TRACT SUBDIVISION, IN TRAVIS  
COUNTY, TEXAS.**

**FINAL ORDER**

The Commission finds that, after statutory notice in the above-numbered docket, heard on December 4, 2006, the examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, which was served on all parties of record, 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 and 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 KB Homes's to consider approval of a qualified subdivision pursuant to Statewide Rule 76 for a 33.6 acre tract as identified on the subdivision plat attached as Exhibit 1 to this Final Order, located within the L.C. Cunningham Survey No. 68, A-163 in Travis County, Texas, be and is hereby **APPROVED**. Legal description of the subdivision and the drill site operations area are attached to this Final Order as Exhibits 2 and 3.

Done this 10th day of January, 2007.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
OGC Unprotested Master Order dated  
January 10, 2007)**