

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

OIL & GAS DOCKET NO. 03-0247227

APPLICATION OF LAND TEJAS PARK LAKES 1023, LP FOR APPROVAL OF A QUALIFIED SUBDIVISION FOR A 607.47 ACRE TRACT PURSUANT TO STATEWIDE RULE 76, HARRIS COUNTY, TEXAS.

FINAL ORDER

The Commission finds that after statutory notice the captioned proceeding was heard by the examiners on November 29, 2006. The proceeding having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, the Commission makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. At least ten days notice was given to the applicant and owners of possessory mineral interests and mineral lessors in the proposed qualified subdivision.
2. Land Tejas Park Lakes 1023, LP (“Land Tejas”) is the owner of the surface estate of all acreage in the proposed qualified subdivision. Land Tejas thus has authority to represent, and does represent, all surface owners of land contained in the proposed qualified subdivision.
3. The proposed qualified subdivision is located in Harris County, Texas, a county having a population in excess of 400,000.
4. The proposed qualified subdivision has been subdivided in a manner authorized by law by the surface owner for residential use, and has received conditional approval of the Houston Planning Commission, in which the proposed qualified subdivision is located, pursuant to ordinances relating to zoning, platting, and subdivisions.
5. The proposed qualified subdivision contains 607.47 acres, including five operations sites; three with a surface area of 4.00 acres, one with a surface area of 2.98 acres and one with a surface area of 2.31 acres. The operations sites may be used by possessory mineral interest owners to explore for and produce minerals. The operations sites are located within the

proposed qualified subdivision and designated on the qualified subdivision plat which is attached as Exhibit 1. Field notes for the 607.47 acre qualified subdivision are set forth in Exhibit 2 to this Final Order. Field notes for the five operations site are set forth in Exhibit 3 to this Final Order.

6. The proposed qualified subdivision plat contains provision for road and pipeline easements to allow use of the operations site within the proposed qualified subdivision. Field notes for the access and pipeline easements are set forth in Exhibit 4 to this Final Order.
7. The area within 2.5 miles of the proposed qualified subdivision has been significantly developed for minerals.
 - a. Land Tejas' evidence shows that there are 653 well locations within a 2.5 mile radius of the proposed qualified subdivision. The wells are in three field groupings. The first is known collectively as the Alco-Mag Field, consisting of the following named fields: Alco-Mag (7800), Alco-Mag (8000), Alco-Mag (8125), Alco-Mag (Cook Mt. 2 8900), Alco-Mag (Seg. A Cook Mt. 1 8700), Alco-Mag (Seg. B Cook Mt. 1 8700), Alco-Mag (Stringer 8550), Alco-Mag (Yegua-A- 1), Alco-Mag (Yegua -G- 8400), Alco-Mag (Yegua, 3rd -A- 8300), Alco-Mag (Yegua, 3rd -B-), Alco-Mag, West (8900), Alco-Mag, West (Cook Mt. -B-) and Alco-Mag (West Yegua). The second is known collectively as the Dyersdale Field, consisting of the following named fields: Dyersdale, N (Y-1), Dyersdale, N. (CM-1), Dyersdale, N. (DY-2) and Dyersdale, N. (Y-5). The third is known collectively as the Humble Field, consisting of the following named fields: Humble, Humble (2700), Humble (4900), Humble (Basal Yegua 4600), Humble Light, Humble Light (Riverside), Humble Light (Yegua 3600), Humble Deep and Humble, SE. (EY-3).
 - b. The Alco-Mag Field lies to the ENE of the proposed subdivision and the far western edge of the field underlies the eastern quarter of the proposed subdivision. The Dyersdale Field lies approximately two miles to the SW of the proposed subdivision. None of the Dyersdale Fields underlie the proposed subdivision. The Humble field lies approximately one and three-quarter miles to the NNE of the proposed subdivision. None of the Humble fields underlie the proposed subdivision.
 - c. There are three wells within the proposed qualified subdivision. The Dooley A #3 (API# 42-201-32360) was a dry hole and was plugged April 13, 1994. The Dooley A #2 (API# 42-201-32258) was completed in the Alco-Mag, West (8900) Field and

produced until mid 1997, converted to saltwater disposal March 1, 2002 and plugged July 16, 2002. The Dooley A #1 (API# 42-201-02727) was completed in the Alco-Mag (Cook Mt. 2 8900) November 20, 1956, converted to saltwater disposal January 26, 1968 and plugged March 13, 1991.

8. The proposed operations site and pipeline and road easements are adequate to ensure that any mineral resources under the proposed qualified subdivision may be fully and effectively exploited.
9. Land Tejas has waived the issuance of an examiner's proposal for decision in this docket.
10. All parties have agreed on the record that this Final Order shall be effective on the date a Master Order relating to this Final Order is signed.

CONCLUSIONS OF LAW

1. Proper notice of hearing was timely issued to appropriate persons entitled to notice.
2. All things necessary to the Commission attaining jurisdiction have occurred.
3. The application of Land Tejas Park Lakes 1023, LP for Commission approval of its proposed qualified subdivision meets the requirements of Texas Natural Resources Code, Chapter 92, and Statewide Rule 76 [16 TEX. ADMIN. CODE §3.76].
4. Pursuant to §2001.144(a)(4) of the Texas Government Code, and the consent of all parties, this Final Order is effective when a Master order relating to this Final order is signed on March 29, 2007.

IT IS THEREFORE ORDERED that the application of Land Tejas Park lakes 1023, LP for approval of a qualified subdivision containing 607.47 acres of land in the Victor Blanco Survey A-2, in Harris County, Texas, more particularly described by the metes and bounds descriptions in field notes and plats attached hereto and incorporated herein for all purposes, is hereby **APPROVED**.

It is further **ORDERED** that this Final Order is effective on March 29, 2007, when the Master Order relating to this Final Order is signed.

All pending motions and requests for relief not previously granted or granted herein are denied.

Done this 29th day of March, 2007, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotected Master Order dated
March 29, 2007)**