

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

**OIL AND GAS DOCKET  
NOS. 7B-0246062 & 7B-0246270**

**IN THE MEAD (STRAWN) FIELD,  
JONES COUNTY, TEXAS**

**FINAL ORDER  
APPROVING THE APPLICATION OF L.C.S. PRODUCTION COMPANY  
TO INJECT FLUID INTO A RESERVOIR  
PRODUCTIVE OF OIL OR GAS IN THE MEAD STRAWN UNIT  
WELL NOS. 1WI, 11WI, 12WI AND 13WI  
IN THE MEAD (STRAWN) FIELD  
JONES COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard April 4, 2006, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was waived by the 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 hereby adopts as its own the findings of fact 1 through 7 and 9 through 11, and conclusions of law contained in the proposal for decision and amended finding of fact 8 as hereafter set out, and incorporates said findings of fact and conclusions of law as fully set out and separately stated herein.

Amended Finding of Fact

8. L.C.S. will re-enter the Roark, Hooker, Jones & Stasney-Chancey et al Lease Well No. 1 and Geochemical Surveys-T.D. Compton Lease Well No. 1 and use these wells as either production or injection wells, or plug them.

Therefore it is **ORDERED** by the Railroad Commission of Texas that L.C.S. Production Company be and is hereby authorized to conduct water injection operations in the Mead Strawn Unit, Well Nos. 1WI, 11WI, 12WI and 13WI, Mead (Strawn) Field, Jones County, Texas, subject to the following terms and conditions:

**SPECIAL CONDITIONS:**

1. For each well authorized by this permit, the PERMITTED INJECTION WELL TABLE specifies the permitted subsurface injection interval, each permitted injection fluid and the maximum injection volume for each fluid, and the maximum permitted surface injection pressure. The PERMITTED INJECTION WELL TABLE is attached to and incorporated as a part of this permit.
2. Prior to beginning injection, L.C.S. Production Company must re-enter the Roark, Hooker, Jones & Stasney-Chancey et al Lease Well No. 1 and the Geochemical Surveys-T.D. Compton Lease Well No. 1. Each of these wells must be used as a producing well or injection well, or be plugged and abandoned in accordance with current Commission rules.

**STANDARD CONDITIONS:**

1. Fluid injection must be through tubing set on a packer.
2. The District Office must be notified 48 hours prior to:
  - a. running tubing and setting packer;
  - b. beginning any workover or remedial operation;
  - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.
4. Prior to beginning injection and subsequently after any workover, an annulus pressure test must be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin Office.
6. Within 30 days after completion, conversion to fluid injection, or any workover which results in a change in well completion, a new Form W-2 or G-1 must be filed in duplicate with the District Office to show the current completion status of that well. The date of the injection permit and the project number must be included on the new Form W-2 or G-1.
7. Written notice of intent to transfer the permit to another operator must be submitted to the Commission by filing Form P-4 at least 15 days prior to the date the operator plans for the transfer to occur. Permit transfer will not occur until the Form P-4 has been approved by the Commission.
8. A well herein authorized cannot be converted to a producing well and have an allowable assigned without filing an amended Form W-1 and receiving Commission approval.
9. This permit will expire when the Forms W-3, Plugging Records, are filed with the Commission.
10. Unless otherwise required by conditions of the permit, completion and operation of the well shall be in accordance with the information represented on the application (Forms H-1 and H1A).
11. That the wells be identified and operated according to Permit Number \_\_\_\_\_.

Provided further that, should it be determined that such injection fluid is not confined to the approved strata, then the permission given herein is suspended and the fluid injection must be stopped until the fluid migration from such strata is eliminated.

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 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 order is served on the parties.

Each proposal and 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 22nd day of August, 2006.

**RAILROAD COMMISSION OF TEXAS**

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**Chairman Elizabeth A. Jones**

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**Commissioner Michael L. Williams**

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**Commissioner Victor G. Carrillo**

**ATTEST:**

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**Secretary**

**PERMITTED INJECTION WELL TABLE**

<b>Well No.</b>	1WI	11WI	12WI	13WI
<b>Injection Interval:</b>				
Top (feet)	4470	4463	4450	4481
Bottom (feet)	4550	4966	4970	4980
<b>Maximum Total Inj. Fluid Vol.</b> (bbl saltwater/day)	700	1000	1000	1000
<b>Max Inj. Press.</b> (psig)	2225	2225	2225	2225