RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL OIL AND GAS SECTION

OIL AND GAS DOCKET NO. 8A-0226191

IN THE SLAUGHTER FIELD HOCKLEY COUNTY, TEXAS

FINAL ORDER APPROVING THE APPLICATION OF OCCIDENTAL PERMIAN FOR AUTHORITY PURSUANT TO STATEWIDE RULE 36 TO INJECT HYDROGEN SULPHIDE GAS ON ITS CENTRAL MALLET AND N9ORTHWEST MALLET UNITS IN THE SLAUGHTER FIELD HOCKLEY COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on December 7, 2000, the presiding examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all 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, 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, 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 Occidental Permian pursuant to Statewide Rule 36 to inject hydrogen sulphide gas on its Central Mallet and Northwest Mallet Units in the Slaughter Field, Hockley County, Texas, be and it is hereby APPROVED.

Each exception to the examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

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

OIL AND GAS DOCKET NO. 8A-0226191

subject to further Commission 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.

Effective this _____ day of _____, 2001.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN MICHAEL L. WILLIAMS

COMMISSIONER CHARLES R. MATTHEWS

COMMISSIONER TONY GARZA

ATTEST:

Secretary

Page 2