

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

**District 3
Rule 37 Case No. 0236368**

**APPLICATION OF HANSON PRODUCTION COMPANY
FOR AN EXCEPTION TO STATEWIDE RULE 37 TO DRILL
ITS NO. 2-ST WELL, T.P. RANCH LEASE, SOUR LAKE,
E. (PRICE), SOUR LAKE, E. (YEGUA #4) SOUR LAKE, E.
(YEGUA DF-9) AND WILDCAT FIELDS, HARDIN
COUNTY, TEXAS.**

FINAL ORDER

The Commission finds that, after statutory notice in the above-numbered docket, heard on May 24, 25, 26, and 27 and June 17, 2004, the 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, 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 proposal for decision 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 Hanson Production Company's application for an exception to Statewide Rule 37 to drill its proposed T.P. Ranch Well No. 2-ST in the Sour Lake, E. (Price), Sour Lake, E. (Yegua #4), Sour Lake, E. (Yegua DF-9) and Wildcat Fields ("subject fields"), Hardin County, Texas, as shown by a plat submitted by the applicant be and 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.

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 3 days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest within such 20-day period after the party's presumed notice, this order shall not become final until such motion is overruled, or if rehearing 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 in accordance with TEX. GOV'T CODE §2001.144.

Done this ____ day of November, 2004.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN VICTOR G. CARRILLO

COMMISSIONER CHARLES R. MATTHEWS

COMMISSIONER MICHAEL L. WILLIAMS

ATTEST:

SECRETARY