

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

RULE 37 CASE No. 0244057

**APPLICATION OF ERSKINE OPERATING, L.L.C. FOR AN
EXCEPTION TO STATEWIDE RULE 37 FOR ITS KARNEI UNIT,
WELL No. 4, LIONS (CORONA CONSOLIDATED) FIELD,
GOLIAD COUNTY, TEXAS.**

FINAL ORDER

The Commission finds that, after statutory notice in the above-numbered docket, heard on November 13, 2006, the examiners have made and filed a report 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, 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.

The location of the Erskine Operating, L.L.C., Karnei Unit, Well No. 4, Lions (Corona Consolidated) Field, as shown by the as-drilled plat submitted by the applicant is **REASONABLE** and the Karnei No. 4 well as-drilled is in **SUBSTANTIAL COMPLIANCE** with drilling permit 605110.

The application of Erskine Operating, L.L.C., for an exception to Rule 37 for the as-drilled location of the Karnei Unit, Well No. 4, Lions (Corona Consolidated) Field Karnei No. 4 is hereby **DISMISSED AS MOOT**.

Each exception to the examiners' report 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 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.

Done this 23rd day of January, 2006.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotested Master Order dated
January 23, 2007)**