

RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET
NO. 02-0230285

IN THE MATAGORDA BAY (BOL MEX)
FIELD, CALHOUN COUNTY, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF
UNION OIL COMPANY OF CALIFORNIA
FOR A NEW FIELD AND TO ADOPT RULES AND REGULATIONS
FOR THE MATAGORDA BAY (BOL MEX) FIELD
CALHOUN COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on January 22, 2002, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; 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 examiner's report and recommendation, 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.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of Union Oil Company of California for a New Field Designation to be known as the Matagorda Bay (Bol Mex) Field (No. 58192 010) Calhoun County, Texas, be and it is hereby approved.

It is further **ORDERED** by the Railroad Commission of Texas that the following rules shall be adopted for the Matagorda Bay (Bol Mex) Field, Calhoun County, Texas

RULE 1: The entire correlative interval whose top is shown at 9030 feet, true vertical depth, and whose base is shown at 11,450 feet, true vertical depth, on the Array Induction log of the Union Oil Company of California Ultramarine Unit (originally the Cockrell Oil Company State Tract #150), Well No. 1, Calhoun County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Matagorda Bay (Bol Mex) Field.

RULE 2: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the total field allowable shall be allocated equally among all the individual prorable wells producing from this field.

NINETY-FIVE percent (95%) of the total field allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all

proratable wells producing from this field.

Done this fifth day of February, 2002.

RAILROAD COMMISSION OF TEXAS

Chairman Michael L. Williams

Commissioner Charles R. Matthews

Commissioner Tony Garza

ATTEST:

Secretary