

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

**OIL AND GAS DOCKET
NO. 03-0223007**

**IN THE SUGAR VALLEY (FRIO 9,000)
FIELD, MATAGORDA COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF ASPECT RESOURCES LLC
FOR NEW FIELD DESIGNATION AND ADOPTION OF FIELD RULES
FOR THE SUGAR VALLEY (FRIO 9,000) FIELD
MATAGORDA COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on November 17, 1999, 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 Aspect Resources LLC for a New Field Designation to be known as the Sugar Valley (Frio 9,000) Field (No. 86960 369), Matagorda County, Texas, be and it is hereby approved.

It is further **ORDERED** by the Railroad Commission of Texas that the following field rules be and are hereby adopted for the Sugar Valley (Frio 9,000) Field.

RULE 1: The entire correlative interval from 8884 to 9074 feet as shown on the Platform Express Density/Neutron log of the Aspect Resources LLC Pierce Estate Lease Well No. 2, Isaac Foster League Survey, Matagorda County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Sugar Valley (Frio 9,000) 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 proratable 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.

It is further **ORDERED** by the Railroad Commission of Texas that all overproduction for the Aspect Resources LLC Pierce Estate Lease Well No. 2 in the Sugar Valley (Frio 9000) Field, Matagorda County be canceled.

Effective this twenty-first day of December 21, 1999.

RAILROAD COMMISSION OF TEXAS

Chairman Michael L. Williams

Commissioner Charles R. Matthews

Commissioner Tony Garza

ATTEST

Secretary