

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

**OIL AND GAS DOCKET
NO. 03-0228847**

**IN THE RAYWOOD (YEGUA 10400)
FIELD, LIBERTY COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF SMITH PRODUCTION, INC.
FOR NEW FIELD DESIGNATION AND ADOPTION OF FIELD RULES
FOR THE RAYWOOD (YEGUA 10400) FIELD
LIBERTY COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 27, 2001, 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 Smith Production, Inc. for a New Field Designation to be known as the Raywood (Yegua 10400) Field (No. 74993 850), Liberty 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 Raywood (Yegua 10400) Field, Liberty County, Texas.

RULE 1: The entire correlative interval from 10,170 feet to 10,524 feet as shown on the induction velocity log of the Smith Production Inc., Mrs. Elizabeth et al Lease Well No. 10, Peter Mason Survey, Liberty County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Raywood (Yegua 10400) 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.

Effective this twenty-first day of August, 2001.

RAILROAD COMMISSION OF TEXAS

Chairman Michael L. Williams

Commissioner Charles R. Matthews

Commissioner Tony Garza

ATTEST:

Secretary