

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

**OIL AND GAS DOCKET
NO. 03-0249843**

**IN THE BRAZOS BLOCK 405 (10,040
SAND) FIELD, OFFSHORE MATAGORDA
COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF
BLACK POOL ENERGY, LP FOR NEW FIELD DESIGNATION
BRAZOS BLOCK 405 (10,040 SAND) FIELD
OFFSHORE MATAGORDA COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on January 9, 2007, 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 Black Pool Energy, LP for new field designation for its State Tract 405L N/2 SE/4 Lease Well No. 1 is hereby approved. The new field shall be known as the Brazos Block 405 (10,040 Sand) Field, ID No. 11653 900, Offshore Matagorda County, Texas.

It is further ordered that the following field rules are hereby adopted for the Brazos Block 405 (10,040 Sand) Field, Offshore Matagorda County, Texas:

RULE 1: The entire correlative interval between 10,040 feet and 10,470 feet, as shown on the log of the State Tract 405L N/2 SE/4 Lease Well No. 1 (API 704 30331), G.O.M., St. Tr. 405-L, Offshore Matagorda County, shall be designated as a single reservoir for proration purposes and be designated as the Brazos Block 405 (10,040 Sand) Field.

RULE 2: The daily allowable production of gas from individual wells completed in 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 field's total allowable shall be allocated equally among all the individual prorable wells producing from the field.

NINETY-FIVE percent (95%) of the field's total 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 the field.

Done this 23rd day of January, 2007.

RAILROAD COMMISSION OF TEXAS

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