RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 03-0282143 IN THE VAN METER (LWR YEGUA 8900) FIELD, HARDIN COUNTY, TEXAS

FINAL ORDER

APPROVING THE APPLICATION OF CENTURY EXPLORATION HOUSTON, LLC FOR A NEW FIELD DESIGNATION AND TO ADOPT FIELD RULES FOR THE VAN METER (LWR YEGUA 8900) FIELD, HARDIN COUNTY

The Commission finds that after statutory notice in the above-numbered docket heard on May 28, 2013, the presiding examiners have 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 examiners' 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 Century Exploration Houston, LLC for a new field designation for its Jacques Lease, Well No. 1, is hereby approved. The new field shall be known as the Van Meter (LWR Yegua 8900) Field, ID No. 93133 200, Hardin County, Texas.

It is further **ORDERED** that the following Field Rules are hereby adopted for the Van Meter (LWR Yegua 8900) Field, Hardin County, Texas:

- **RULE 1:** The entire correlative interval from 8,890 feet to 9,320 feet as shown on the well log of the Jacques Lease, Well No. 1 (API No. 42-199-33317), Montgomery, D C Survey, A-39, Hardin County, Texas, shall be designated as the Van Meter (LWR Yegua 8900) 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 field's total allowable shall be allocated equally among all the individual proratable wells producing from the 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** that the Jacques Lease, Well No. 1, be transferred into the new Van Meter (LWR Yegua 8900) Field without the need for a drilling permit.

Done this 18th day of December, 2013.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated December 9, 2013)