RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 02-0247083 IN THE PAWNEE (EDWARDS) FIELD, BEE COUNTY, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF W. DALE MORRIS, INC.
FOR EXCEPTION TO STATEWIDE RULE 11
FOR ITS ZUNIGA GAS UNIT NO. 1
PAWNEE (EDWARDS) FIELD
BEE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on June 1, 2006, 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 W. Dale Morris, Inc. is hereby granted exception to Statewide Rule 11(c)(2)(B) for its Zuniga Gas Unit No. 1 in the Pawnee (Edwards) Field, Bee County, Texas. W. Dale Morris, Inc. is not required to file a directional survey for the portion of the wellbore below 14,692 feet (MD). The well may be assigned a lease number and allowable, assuming all other required completion papers have been properly filed.

Done this 20th day of June, 2006.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated June 20, 2006)