RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 7C-0258301 IN THE SPRABERRY (TREND AREA) FIELD, VARIOUS COUNTIES, TEXAS

FINAL ORDER AMENDING FIELD RULE 4 IN THE SPRABERRY (TREND AREA) FIELD VARIOUS COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on September 26 and December 8, 2008, 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 Field Rule 4 for the Spraberry (Trend Area) Field, Various Counties, Texas adopted in Final Order No. 7C & 8-25,174, effective December 22, 1952, as amended, is hereby amended. The amended Field Rule 4 is set out below:

RULE 4: The maximum daily oil allowable for each well on an EIGHTY (80) acre unit in the subject field shall be 515 barrels of oil per day, and the actual allowable for an individual well shall be determined by the sum total of the two following values:

 Each well shall be assigned an allowable equal to the top allowable established for a well having a proration unit containing the maximum acreage authorized exclusive of tolerance acreage multiplied by SEVENTY FIVE percent (75%) and by then multiplying this value by that fraction the numerator of which is the acreage assigned to the well and the denominator of which is the maximum acreage authorized for a proration unit exclusive of tolerance acreage. 2. Each well shall be assigned an allowable equal to TWENTY FIVE percent (25%) of the maximum daily oil allowable above.

Done this 15th day of January, 2009.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated January 15, 2009)