RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 08-0251519

IN THE GOLDSMITH (CLEARFORK) FIELD, ECTOR COUNTY, TEXAS

FINAL ORDER

ESTABLISHING THE MOST EFFICIENT RATE OF PRODUCTION FOR THE NEG OPERATING LLC, PARKER MINERALS LTD. LEASE WELLS NO. 1101 AND 1102, GOLDSMITH (CLEAR FORK) FIELD ECTOR COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on June 1, 2007, the presiding examiner has made and filed a report and recommendation containing findings of fact and conclusions of law, for which was 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 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 most efficient rate of production for the NEG Operating LLC, Parker Minerals Ltd. Lease Wells No. 1101 and 1102 in the Goldsmith (Clearfork) Field, Ector County, Texas, is established at 300 barrels of oil per day per well.

It is further ordered that all overproduction for the Parker Minerals Ltd. Lease is hereby canceled.

Done this 26th day of June, 2007.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated June 26, 2007)