

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

**OIL AND GAS DOCKET
NO. 08-0269214**

**IN THE HUDSON FIELD, ANDREWS
COUNTY, TEXAS**

**FINAL ORDER
ESTABLISHING AN MER ALLOWABLE
FOR THE STATE SHOSID LEASE, WELL NO. 2
HUDSON FIELD
ANDREWS COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on March 25, 2011, 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 most efficient rate of production at the current time for the Sandridge Expl. and Prod., LLC - State Shosid Lease, Well No. 2 (API No. 42-003-42162), in the Hudson Field, is 250 BOPD.

It is further **ORDERED** that all overproduction for the subject well in the Hudson Field is hereby canceled.

Done this 18th day of April, 2011.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotested Master Order dated April
18, 2011)**