RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 8A-0253476 IN THE TEX-MEX, SE (WICHITA ALBANY) FIELD, GAINES COUNTY, TEXAS

FINAL ORDER

ESTABLISHING THE MOST EFFICIENT RATE OF PRODUCTION FOR THE FOREST OIL CORPORATION, CATON LEASE WELLS NO. 4 AND 5, TEX-MEX, SE (WICHITA ALBANY) FIELD GAINES COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on November 6, 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 Forest Oil Corporation, Caton Lease Wells No. 4 and 5 in the Tex-Mex, SE (Wichita Albany) Field, Gaines County, Texas, is established at 115 barrels of oil per day per well.

It is further ordered that all overproduction for the Caton Lease (65491) is hereby canceled.

Done this 20th day of November, 2007.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated November 20, 2007)