

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

**OIL AND GAS DOCKET
NO. 03-0273688**

**IN THE DREWS LANDING (WILCOX
CONS) FIELD, SAN JACINTO AND
POLK COUNTIES, TEXAS**

**FINAL ORDER
CONSOLIDATING THE MORIAN, NE (WILCOX),
MORIAN, NW (WILCOX) AND MORIAN, SE (WILCOX) FIELDS INTO THE
DREWS LANDING (WILCOX CONS) FIELD AND
AMENDING FIELD RULE NO.1 FOR THE
DREWS LANDING (WILCOX CONS) FIELD
SAN JACINTO AND POLK COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on January 13, 2012, 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 Morian, NE (Wilcox)(No. 62906 500), Morian, NW (Wilcox)(No. 62908 500) and the Morian, SE (Wilcox)(No. 62910 500) Fields located in San Jacinto County, Texas, are hereby combined into the Drews Landing (Wilcox Cons) Field (No. 26099 400):

It is further ordered that Field Rule No.1 is amended for the Drews Landing (Wilcox Cons) Field:

RULE 1: The entire correlative interval between 7,655 feet and 12,650 feet, as shown on the log of the Morian Well No. 3, (API No. 407-30639), W.G. Logan Survey, A-24, San Jacinto County, shall be designated as a single reservoir for proration purposes and be designated as the Drews Landing (Wilcox Cons) Field.

RULE 2: No oil or gas well shall hereafter be drilled nearer than FOUR HUNDRED SIXTY SEVEN (467) feet to any property line, lease line or subdivision line and there is no between-well spacing limitation for wells in this field. The aforementioned distances in the above rule are minimum distances to allow an operator flexibility in locating a well. The Commission will grant exceptions to permit drilling within shorter distances and drilling more wells than herein prescribed whenever the Commission determines that such exceptions are necessary either to prevent waste or to prevent the confiscation of property.

When exception to these rules is desired, application therefor shall be filed and will be acted upon in accordance with the provisions of Commission Statewide Rules 37 and 38, which applicable provisions of said rules are incorporated herein by reference. The standard drilling unit shall remain forty (40) acres per well.

In applying this rule, the general order of the Commission with relation to the subdivision of property shall be observed.

RULE 3: The daily allowable production of gas from individual wells completed in the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the field's total allowable shall be allocated equally among all the individual proratable wells producing from the field.

NINETY-FIVE percent (95%) of the field's total allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all proratable wells producing from the field.

It is further ordered that the allocation formula in the Drews Landing (Wilcox Cons) Field will remain suspended. The allocation formula may be reinstated administratively, in accordance with the Commission's rules, if the market demand for gas in the Drews Landing (Wilcox Cons) Field drops below 100% of deliverability.

Done this 28th day of February, 2012.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotested Master Order dated
February 28, 2012)**