

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

**OIL AND GAS DOCKET
NO. 04-0247333**

**IN THE WHITE POINT, EAST
(CONSOLIDATED) FIELD, SAN
PATRICIO COUNTY, TEXAS**

**FINAL ORDER
CONSOLIDATING VARIOUS FIELDS AND ADOPTING FIELD RULES
FOR THE WHITE POINT, EAST (CONSOLIDATED) FIELD
SAN PATRICIO COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on May 22, 2006, 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 fields as shown in the attached Appendix "A" are consolidated into the new field designation to hereafter be known as the White Point, East (Consolidated) Field (RRC ID. No. 96979-012), San Patricio County, Texas. Further, the White Point, East (Consolidated) Field is classified as Associated-Prorated and the gas wells shall not be subject to allowables pursuant to Statewide Rule 49(b).

It is further ordered by the Commission that the following operating rules for the White Point, East (Consolidated) Field are hereby adopted and as hereinafter set out:

RULE 1: The entire correlative interval from 10,490' to 13,100' as shown on the type Computer Processed log of the EOG Resources, State Tract D GU Well No. 1, (API No. 42-409-32754), San Patricio County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the White Point, East (Consolidated) Field.

RULE 2: The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of 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 total field allowable shall be allocated equally among the individual prorable wells producing from this field.

NINETY-FIVE percent (95%) of the total field 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 this field.

Further, it is ordered by the Railroad Commission of Texas that suspension of the allocation formula in the White Point, East (Consolidated) Field is approved. The allocation formula may be reinstated administratively if the market demand for gas in the White Point, East (Consolidated) Field drops below 100% of deliverability. If the market demand for gas in the White Point, East (Consolidated) Field drops below 100% of deliverability while the allocation formula is suspended, the operator shall immediately notify the Commission and the allocation formula shall be immediately reinstated. Failure to give such notice to the Commission may result in a fine (as provided for in Tex. Nat. Res. Code §86.222) for each day the operators fail to give notice to the Commission.

Done this the 20th day of June, 2006.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by OGC
Unprotested Master Order dated June 20, 2006)**

APPENDIX “A”

FIELD NAME	RRC FIELD NUMBER
White Point, E. (Brooks Seg. A)	96979 002
White Point, E. (Brooks Seg. B)	96979 003
White Point East (Copeland)	96979 014
White Point East (French)	96979 025
White Point, E. (French Seg. A)	96979 027
White Point, East (KJ)	96979 143
White Point, East (Koonce)	96979 145
White Point, East (Mayo)	96979 150
White Point, East (Owens)	96979 200
White Point, E. (Owens Seg. A)	96979 201
White Point, E. (Owens Seg. B)	96979 202
White Point, East Deep (Brooks)	96980 300
White Point, East Deep (Crumpton)	96980 320
White Point, East Deep (Guedin LWR)	96980 350
White Point, East Deep (Guedin UP)	96980 375
White Point, East Deep (Hatch)	96980 400
White Point E. Deep (Herron LO)	96980 450
White Point, East Deep (Mayo)	96980 488