

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

**OIL AND GAS DOCKET  
NO. 04-0248844**

**IN THE HINDE (VICKSBURG  
CONSOLIDATED) FIELD, STARR  
COUNTY, TEXAS**

**FINAL ORDER  
CONSOLIDATING VARIOUS EL EBANITO, HINDE AND BOROSA FIELDS INTO  
THE HINDE (VICKSBURG CONSOLIDATED) FIELD AND  
AMENDING THE FIELD RULES NO. 1, 2, AND 3 OF THE FIELD RULES  
ADOPTED IN FINAL ORDER NO. 04-0223429, AS AMENDED,  
ISSUED EFFECTIVE JANUARY 25, 2000,  
FOR THE HINDE (VICKSBURG CONSOLIDATED) FIELD,  
STARR COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on October 26, 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.

It is ordered by the Railroad Commission of Texas that the fields as listed in Attachment "A" are consolidated into the Hinde (Vicksburg Consolidated) Field.

Further, it is ordered by the Railroad Commission of Texas that Special Field Rules No. 1, 2 and 3 adopted in Final Order No. 04-0223429, issued effective January 25, 2000, as amended, for the Hinde (Vicksburg Consolidated) Field, Starr County, Texas be and are amended as hereafter set out.

**RULE 1:** The entire combined correlative interval from 6,100' as shown on the composite log of two wells based on the SP-Resistivity log of the Phillips Petroleum Company, Bentsen Lease Well No. 10-A (API No. 42-427-00863) and the Eocene Contact (Jackson Shale) at 11,125' as shown on the Computer Processed log of the Shell Western E&P, T.B. Slick Estate Lease Well No. 135 (API No. 42-427-33431), Starr County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Hinde (Vicksburg Consolidated) Field.

**RULE 2:** No well for oil or gas shall hereafter be drilled nearer than FOUR HUNDRED SIXTY SEVEN (467) feet to any property line, lease line or subdivision line. There is no between-well spacing limitation for wells in the field. The aforementioned distances in the above rule are minimum distances to allow an operator flexibility in locating a well, and the above spacing rule and the other rules to follow are for the purpose of permitting only one well to each drilling and proration unit. Provided however, that the Commission will grant exceptions to permit drilling within shorter distances and drilling more wells than herein prescribed whenever the Commission shall have determined 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.

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

**RULE 3a:** The acreage assigned to the individual gas well for the purpose of allocating allowable gas production thereto shall be known as a proration unit. The standard drilling and proration units are established hereby to be EIGHTY (80) acres. No proration unit shall consist of more than EIGHTY (80) acres; provided that, tolerance acreage of ten (10) percent shall be allowed for each standard proration unit so that an amount not to exceed a maximum of EIGHTY-EIGHT (88) acres may be assigned. Each proration unit containing less than EIGHTY (80) acres shall be a fractional proration unit. All proration units shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of gas. No double assignment of acreage will be accepted.

An operator, at his option, shall be permitted to form optional drilling units of FORTY (40) acres. A proportional acreage allowable credit will be given for a well on a fractional proration unit.

Submission of proration unit plats and a Statement of Productivity of Acreage Assigned to Proration Units is not required.

**RULE 3b:** The acreage assigned to the individual oil well for the purpose of allocating allowable oil production thereto shall be known as a proration unit. The standard drilling and proration units are established hereby to be EIGHTY (80) acres. No proration unit shall consist of more than EIGHTY (80) acres except as hereinafter provided. All proration units shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of oil. No double assignment of acreage will be accepted.

If after the drilling of the last well on any lease and the assignment of acreage to each well thereon in accordance with the regulations of the Commission there remains an additional unassigned acreage of less than EIGHTY (80) acres, then and in such event the remaining unassigned acreage up to and including a total of FORTY (40) acres may be assigned as tolerance acreage to the last well drilled on such lease or may be distributed among any group of wells located thereon.

An operator, at his option, shall be permitted to form optional drilling units of FORTY (40) acres. A proportional acreage allowable credit will be given for a well on a fractional proration unit.

Submission of proration unit plats and a Statement of Productivity of Acreage Assigned to Proration Units is not required.

It is further ordered that the allocation formula remain suspended pursuant to Statewide Rule 31(j).

Done this 14th day of November, 2006.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by OGC  
Unprotested Master Order dated November 14,  
2006**

ATTACHMENT "A"FIELD NAMEFIELD NUMBER

El Ebanito (Lwr Vicksburg Cons)	27962 515
El Ebanito (Vicksburg 7300 U-1)	27962 750
Hinde, West (Marker III SD.)	41545 300
Hinde, West (Vicksburg 7)	41545 470
Hinde, West (Vicksburg 8)	41545 480
Hinde, West (Vicksburg-18)	41545 500
Hinde, W. (Vicksburg 7600)	41545 700
Borosa, N.W. (Vicksburg 9250)	10715 800
Borosa, S. (FB B 7750)	10716 200
Borosa S. (T-4)	10716 562
Borosa, S. (Vicksburg Various)	10716 575
Borosa, S. (Vicksburg 7200)	10716 900
Borosa, South (Vicksburg 7600)	10716 925
Borosa, S. (Vicksburg 8850)	10716 932
Borosa, E. (7830 Vicksburg)	10712 400
Borosa, S. (FB B 5900)	10716 187
Borosa, S. (Vicksburg 5900)	10716 825
Borosa, S. (Vicksburg 6300)	10716 850
Borosa, S. (Vicksburg 8200)	10716 928
Borosa, S. (Vicksburg 9B)	10716 812