RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 02-0245198 IN THE PROVIDENT CITY, NE. (15,200) FIELD, LAVACA AND COLORADO COUNTIES, TEXAS

FINAL ORDER AMENDING THE FIELD RULE NO. 1 OF THE FIELD RULES ADOPTED IN FINAL ORDER NO. 02-0228824 ISSUED EFFECTIVE AUGUST 7, 2001, FOR THE PROVIDENT CITY, NE. (15,200) FIELD, LAVACA AND COLORADO COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on December 22, 2005, 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 Special Field Rule No. 1 adopted in Final Order No. 02-0228824, issued effective August 7, 2001, for the Provident City, NE. (15,200) Field, Lavaca and Colorado Counties, Texas be and is amended as hereafter set out.

RULE 1: The entire combined correlative interval from 15,040' to 17,450' as shown on the Baker Hughes High Definition Induction Compensated Z-Densilog Compensated Neutron Gamma Ray Log of the Newfield Exploration Company, EPC Gas Unit No. 1 Well No. 3 (API No. 42-089-32420), S.A. & M.G. RR/R.P. Allen Survey, A-905, Colorado County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Provident City, NE. (15,200) Field.

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

Done this 7th day of February, 2006.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated February 7, 2006