

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

**OIL AND GAS DOCKET
NO. 05-0254694**

**IN THE BEAR GRASS (COTTON VALLEY
CONS.) FIELD, FREESTONE, LEON AND
ROBERTSON COUNTIES, TEXAS**

**FINAL ORDER
AMENDING FIELD RULES FOR THE
BEAR GRASS (COTTON VALLEY CONS.) FIELD
FREESTONE, LEON AND ROBERTSON COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on January 22, 2008, 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 Rule 3 of the field rules for the Bear Grass (Cotton Valley Cons.) Field, adopted in Final Order No. 05-0247576, effective July 6, 2006, is amended as hereafter set out:

RULE 3: The acreage assigned to an individual gas well shall be known as a proration unit. The standard drilling and proration units are established hereby to be THREE HUNDRED TWENTY (320) acres. No proration unit shall consist of more than THREE HUNDRED TWENTY (320) 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 THREE HUNDRED FIFTY TWO (352) acres may be assigned.

An operator, at his option, shall be permitted to form optional drilling and proration units of TWENTY (20) acres.

There is no maximum diagonal limitation in this field and operators are not required to file Form P-15 and plats, except an as-drilled plat showing the path, penetration point and terminus of all drainholes in horizontal wells.

Done this 12th day of February, 2008.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotested Master Order dated
February 12, 2008)**