

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

**OIL AND GAS DOCKET
NO. 06-0247094**

**IN THE MINDEN (TRAVIS PEAK CONS.)
FIELD, RUSK AND PANOLA COUNTIES,
TEXAS**

**FINAL ORDER
AMENDING FIELD RULES FOR THE
MINDEN (TRAVIS PEAK CONS.) FIELD
RUSK AND PANOLA COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on May 3, 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 Rules 4a and 4b of the field rules adopted in Final Order No. 06-0245877, effective March 28, 2006, for the Minden (Travis Peak Cons.) Field, Rusk and Panola Counties, Texas, are amended as hereafter set out.

RULE 4a: 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:

TWENTY FIVE percent (25%) of the total field allowable shall be allocated among the individual wells in the proportion that the acreage assigned such well for allowable purposes bears to the summation of the acreage with respect to all proratable wells producing from this field.

SEVENTY FIVE percent (75%) 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.

RULE 4b: The maximum daily oil allowable for each well in the subject field shall be 172 barrels of oil per day, and the actual allowable for an individual well shall be determined by the sum total of the two following values:

Each well shall be assigned an allowable equal to its potential based on the most recent well test filed with the Commission multiplied by 75%, provided that this value shall not exceed 172 barrels of oil per day multiplied by 75%.

Each well shall be assigned an allowable equal to the top allowable established for a well having a proration unit containing the maximum acreage authorized exclusive of tolerance acreage multiplied by 25% and by then multiplying this value by a fraction, the numerator of which is the acreage assigned to the well and the denominator of which is the maximum acreage authorized for a proration unit exclusive of tolerance acreage.

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

Done this the 16th day of May, 2006.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures
affixed by OGC Unprotested Master
Order dated May 16, 2006)**