

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

**OIL AND GAS DOCKET  
NO. 06-0250368**

**IN THE BETHANY (TRANSITION)  
FIELD, PANOLA AND HARRISON  
COUNTIES, TEXAS**

**FINAL ORDER  
ADOPTING FIELD RULES FOR THE  
BETHANY (TRANSITION) FIELD  
PANOLA AND HARRISON COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on February 20, 2007, 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 following field rules are hereby adopted for the Bethany (Transition) Field:

**RULE 1:** For wells that find the Bethany (Travis Peak) Field sand present, the entire correlative interval from 5,711 feet to 5,953 feet as shown on the DIL Comp Nuetron log of the Texaco Exploration & Production Inc. Crenshaw GU #2 Well No. 5-6, API No. 365-33261, B.C. Jordan Survey, A-348 Panola County shall be designated as the Bethany (Transition) Field. For wells that do not find the Bethany (Travis Peak) Field sand present, the entire correlative interval from 5,764 feet to 6,106 feet as shown on the Array Induction log of the Texaco Exploration & Production Inc. Adams T.C. et ux NCT Well No. 47-L, API No. 365 34363, J.H. Anderson Survey, A-22, Panola County, shall be designated as a single reservoir for proration purposes and be designated as the Bethany (Transition) Field.

**RULE 2:** 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:

FIVE percent (5%) of the field's total allowable shall be allocated equally among all the individual prorable wells producing from the field.

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

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

Done this 29<sup>TH</sup> day of March, 2007.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
OGC Unprotected Master Order dated March  
29, 2007)**