

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

**OIL AND GAS DOCKET
NO. 06-0258678**

**IN THE WASKOM (COTTON VALLEY) FIELD
AND CARTHAGE, NORTH (BOSSIER SHALE)
FIELDS, HARRISON, MARION AND PANOLA
COUNTIES, TEXAS**

**FINAL ORDER
AMENDING RULE NO. 1
FOR THE WASKOM (COTTON VALLEY) FIELD AND
APPROVING BLANKET RULE 10 EXCEPTIONS IN THE
WASKOM (COTTON VALLEY) FIELD AND
CARTHAGE, NORTH (BOSSIER SHALE) FIELDS,
HARRISON, MARION AND PANOLA COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered dockets heard on September 19, 2008, the presiding examiner has made and filed reports and recommendations containing findings of fact and conclusions of law, for which service was not required; that the proposed applications are in compliance with all statutory requirements; and that these proceedings were 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 reports and recommendations, 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 1 of the field rules adopted in Final Order No. 06-0252470, effective January 28, 2008, as amended, for the Waskom (Cotton Valley) Field, Harrison and Panola Counties, Texas, is hereby amended. The amended rule is set out as follows:

RULE 1: The entire correlative interval from 7,720' to 9,400' as shown on the Dual Induction-SFL log of the Arkansas Louisiana Gas Corporation, Waskom Smackover Unit Well No. 1, API No. 42-203-30089, T.D. Wilson Survey, A-778, Harrison County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Waskom (Cotton Valley) Field.

It is further **ORDERED** by the Railroad Commission of Texas that the application of Comstock Oil and Gas LP for exceptions to Statewide Rule 10 for any operator's wells in the Waskom (Cotton Valley) and Carthage, North (Bossier Shale) Fields, Harrison, Marion and Panola Counties, Texas, be and it is hereby approved. Such commingled production shall be assigned to the Carthage, North (Bossier Shale) Field for proration purposes only as long as the allocation formula is suspended in both the Waskom (Cotton Valley) and Carthage, North (Bossier Shale) Fields. If the status of either of these fields changes it may be necessary to reassign commingled production to a prorated field.

Further, acreage assigned to wells on these leases for allocation of allowable shall not be assigned to any other well or wells projected to or completed in the Waskom (Cotton Valley) and Carthage, North (Bossier Shale) Fields; such duplicate assignment of acreage is not

acceptable, provided however, that this limitation shall not prevent the reformation of development or proration units so long as no duplicate assignment of acreage occurs, and further, that such reformation does not violate other conservation regulations.

The operator of any well downhole commingled in the Waskom (Cotton Valley) and Carthage, North (Bossier Shale) Fields shall file the appropriate completion forms and/or other forms as required by the Commission and shall file at the same time the appropriate Commission required administrative Rule 10 exception downhole commingling fee.

Signed this 7th day of October, 2008.

**RAILROAD COMMISSION OF TEXAS
(Order approved and signatures affixed by
OGC Unprotested Master Order dated
October 7, 2008.)**