RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 10-0252539 IN THE PANHANDLE HUTCHINSON COUNTY FIELD, HUTCHINSON COUNTY, TEXAS COUNTY, TEXAS

FINAL ORDER

APPROVING THE APPLICATION OF AMERICAN STAR ENERGY AND MIN. CORP. FOR BEARKILLER LEASE WELL NO. 7, PANHANDLE HUTCHINSON COUNTY FIELD, HUTCHINSON COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on July 31, 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 application of American Star Energy and Minerals Corporation for authority to re-complete the Bearkiller Lease (04720) Well No. 7 above the allowed perforation guideline limit as prescribed by the Special Oil Field Rules as adopted in the Amended Final Order 10-87,017 for the Panhandle Hutchinson County Field, Hutchinson County, be and it is hereby approved. The subject well may be perforated up to 2575' (plus 393 feet sea level) and shall remain subject to other qualifying special field rules.

Done this 11th day of September, 2007.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated September 11, 2007)