RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

RULE 37 CASE NO. 0297082 STATUS NO. 806374 DISTRICT 03 IN THE GIDDINGS (AUSTIN CHALK-3) AND GIDDINGS (AUSTIN CHALK, GAS) FIELDS, WASHINGTON COUNTY, TEXAS

FINAL ORDER

APPROVING THE APPLICATION OF ENERVEST OPERATING, LLC FOR AN EXCEPTION TO STATEWIDE RULE 37 AND RULE 86 FOR THE LUCKY UNIT, WELL NO. 3, GIDDINGS (AUSTIN CHALK-3) AND GIDDINGS (AUSTIN CHALK, GAS) FIELDS, WASHINGTON COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on September 16, 2015, the presiding examiners have 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 examiners' 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 Enervest Operating, LLC (Enervest) Lucky Unit, Well No. 3, in the Giddings (Austin Chalk-3) and Giddings (Austin Chalk, Gas) Fields is granted an exception to Statewide Rule 37 and Rule 86 and Special Field Rule No. 5(3) of the field rules for the Giddings (Austin Chalk-3) and Giddings (Austin Chalk, Gas) Fields as follows: The entire Lucky Unit, 669.06 acres, is assigned as the base proration unit for plat purposes. For proration purposes, a P-16 shall be filed for Well Nos. 1, 2 and 3 designating 1/3 of 669.06 acres as the assigned acreage, or as otherwise specified by EnerVest, but assigning no more than the total acres in the Unit. The allowable for Well Nos. 1, 2 and 3 calculated by the Commission shall be based on 1/3 of 669.06 acres, or as otherwise specified by the P-16.

It is further **ORDERED** that this Final Order is effective on February 3, 2016, when the Master Order relating to this Final Order is signed.

All pending motions and requests for relief not previously granted or granted herein are denied.

Done this 3rd day of February 2016.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated February 3, 2016.)