

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL & GAS DOCKET
NO. 03-0299999**

**IN THE GIDDINGS (AUSTIN CHALK-3)
FIELD, FAYETTE COUNTY, TEXAS**

**FINAL ORDER
GRANTING THE APPLICATION OF EARTHSTONE OPERATING, LLC FOR AN EXCEPTION
TO STATEWIDE RULE 86(e)(3) TO ALLOW ASSIGNMENT OF A 1,208.3 ACRE
PRORATION UNIT TO ITS VIVEN UNIT NO. 1H WELL, GIDDINGS (AUSTIN CHALK-3)
FIELD, FAYETTE COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on May 15, 2016, 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 Earthstone Operating, LLC is hereby granted an exception to Statewide Rule 86(e)(3) for its Viven Unit No. 1H Well, API No. 42-149-33413, in the Giddings (Austin Chalk-3) Field, Fayette County, Texas. For the purposes of acreage allocation in Rule 5(1) of the special field rules for the Giddings (Austin Chalk-3) Field, the Horizontal Drainhole Displacement, or "L" in the formula shall be 9,075 feet, resulting in a calculation of a maximum acreage allocation of 1,240 acres, and allowing the assignment of 1,208.03 acres to the subject well.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date Commission Order is signed.

Done this 12th day of September, 2016.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Divisions' Unprotested Master Order
dated September 12, 2016)**