

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO.  
04-0300098**

**IN THE CHARAMOUSCA (CASA  
BLANCA SD) FIELD, DUVAL  
COUNTY, TEXAS**

**FINAL ORDER  
GRANTING THE APPLICATION OF SMITH PRODUCTION, INC.  
TO CONSIDER A MAXIMUM EFFICIENT RATE (MER) ALLOWABLE  
AND CANCEL OVERPRODUCTION FOR THE DROUGHT 156 LEASE  
IN THE CHARAMOUSCA (CASA BLANCA SD) FIELD,  
DUVAL COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on June 3, 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 all wells on the Drought 156 Lease (No. 13838) in the Charamousca (Casa Blanca SD) Field, Duval County, Texas, may be produced under a Maximum Efficient Rate allowable of 100 BOPD. It is further **ORDERED** that all accumulated overproduction in the Drought 156 Lease (No. 13838) is canceled.

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 27<sup>th</sup> day of September, 2016.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
Hearings Divisions' Unprotested Master Order  
dated September 27, 2016)**