RAILROAD COMMISSION OF TEXAS OIL AND GAS DIVISION

OIL AND GAS DOCKET NO. 3-95,902

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

FINAL ORDER
APPROVING THE APPLICATION OF
UNION PACIFIC RESOURCES CORPORATION
FOR AUTHORITY PURSUANT TO STATEWIDE RULE 50
FOR THE FRANK DRGAC LEASE WELL NO. 2 AND
THE R. LEOHR "A" UNIT WELL NO. 1
IN THE GIDDINGS (AUSTIN CHALK-3) FIELD
BURLESON COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on April 2, 1991 the presiding examiner has made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record; that the proposed application is in complia 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 proposal for decision, the findings of fact and conclusions of law contained therein, and exceptions and replies thereto, 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 effective December 1991, the application of Union Pacific Resources Corporation for authority pursuant to Statewide Rule 50 for the Frank Drgac Lease Well No. 2 and the R. Leohr "A" Unit Well No. 1 in the Giddings (Austin Chalk-3) Field, Burleson County, Texas, be and it is hereby approved.

Provided further, it is ordered that the authority granted herein is subject to the following provisions:

TERMINATION - For the purposes of this project, termination occurs 90 days after the production rate fa'ls and remains below the rate of production achieved prior to the first cyclic injection.

If no further cyclic injections are contemplated, UPRC must notify the Commission and the Comptroller in writing within 30 days after the production rate falls below the rate of production achieved prior to the first cyclic injection.

Done this Moth day of December, 1991.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN

COMMISSIONED

DJ:amw