RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0301336 IN THE STA (ATOKA) FIELD, CRANE COUNTY, TEXAS

FINAL ORDER APPROVING INCREASED NET GAS-OIL RATIO AUTHORITY AND CANCELLATION OF OVERPRODUCTION FOR THE RAFE LEASE, STA (ATOKA) FIELD, CRANE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on December 20, 2016, the presiding Technical Examiner and Administrative Law Judge (collectively "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 FDL Operating, LLC is hereby granted permission to produce the Rafe Lease (46703), Well No. 9 (API No. 42-103-36509) in the STA (Atoka) Field, Crane County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 900 Mcf per day. The oil allowable for the Rafe Lease, Well No. 9 shall not be penalized unless the above permitted casinghead gas limit is exceeded.

It is further **ORDERED** by the Railroad Commission of Texas that FDL Operating, LLC is hereby granted permission to produce the Rafe Lease (46703), Well No. 10 (API No. 42-103-36510) in the STA (Atoka) Field, Crane County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 525 Mcf per day. The oil allowable for the Rafe Lease, Well No. 10 shall not be penalized unless the above permitted casinghead gas limit is exceeded.

It is further **ORDERED** by the Railroad Commission of Texas that all accumulated overproduction for the FDL Operating, LLC, Rafe Lease, Well Nos. 5, 9 and 10 completed in the STA (Atoka) Field, Crane County, Texas, is hereby cancelled.

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 14th day of February, 2017.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated February 14, 2017)