

**RAILROAD COMMISSION OF TEXAS**  
**OFFICE OF GENERAL COUNSEL**  
**HEARINGS SECTION**

**OIL & GAS DOCKET NO. 03-0241973**

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**APPLICATION OF CAPCO OFFSHORE, INC., TO CONSIDER A REDUCTION IN THE AMOUNT OF FINANCIAL ASSURANCE REQUIRED PURSUANT TO STATEWIDE RULE 78(g) FOR VARIOUS WELLS ON VARIOUS STATE TRACT LEASES, EL GORDO (MIOCENE) AND MIDDLE BANK REEF FIELDS, MATAGORDA COUNTY, TEXAS**

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**FINAL ORDER**

The Commission finds that, after statutory notice in the above-numbered docket, heard on April 4, 2005, the examiners have made and filed a proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record, 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 proposal for decision and 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.

It is accordingly **ORDERED** that the application of Capco Offshore, Inc., is **DENIED**.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party of 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 the parties are notified of the order.

Each exception to the examiners' proposal for decision not expressly granted herein is

overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

Done this \_\_\_\_ day of \_\_\_\_\_, 2005, in Austin, Texas.

**RAILROAD COMMISSION OF TEXAS**

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**CHAIRMAN VICTOR G. CARRILLO**

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**COMMISSIONER MICHAEL L. WILLIAMS**

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**COMMISSIONER ELIZABETH A. JONES**

**ATTEST:**

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**SECRETARY**