

RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION

OIL AND GAS DOCKET NO. 01-0240489

COMMISSION CALLED HEARING TO SUPERCEDE THE DEFAULT ORDER ISSUED DECEMBER 9, 2003 IN OIL & GAS DOCKET NO. 01-0233603 REQUIRING PLUGGING OF WELL NOS. 1 & 2 ON THE J. MACKIN (08440) LEASE, TENNEY CREEK FIELD, CALDWELL COUNTY, AND TO ENABLE TILMON OIL CO., TO BECOME THE OPERATOR OF RECORD AND TO PRODUCE THE ABOVE-REFERENCED WELLS.

FINAL ORDER

The Commission finds that after statutory notice the above-captioned proceeding was heard by the examiners on November 19, 2004 who circulated a Proposal for Decision containing Findings of Fact and Conclusions of Law. Having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, those Findings of Fact and Conclusions of Law are hereby adopted and made a part hereof by reference.

Tilmon Oil Co. has established that a Final Order should be entered superceding the provision of the Final Order entered in Oil & Gas Docket No. 01-0240489 requiring plugging of Well Nos. 1 & 2 on the J. Mackin (08440) Lease. All other provisions of the Final Order shall remain in full force and effect. Accordingly, Tilmon Oil Co.'s request to be recognized as the operator of record of Well Nos. 1 & 2 on the J. Mackin (08440) Lease in Caldwell County, Texas is hereby **GRANTED**.

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 3 days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest within such 20-day period after the party's presumed notice, this order shall not become final until such motion is overruled, or if rehearing 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 order is served on the parties.

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.

Noncompliance with the provisions of this order is subject to enforcement by the Attorney General and subject to civil penalties of up to \$10,000.00 per day per violation.

Done this 8th day of February, 2005, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN VICTOR G. CARRILLO

COMMISSIONER MICHAEL L. WILLIAMS

ATTEST:

SECRETARY