RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 04-0224104

IN THE FARRAR (TRAVIS PEAK) FIELD, FREESTONE AND LIMESTONE COUNTIES, TEXAS

FINAL ORDER CONSOLIDATING FARRAR, S.E. FIELD INTO THE FARRAR (TRAVIS PEAK) FIELD AND RENUMBERING AND AMENDING FIELD RULES ADOPTED IN FINAL ORDER 5-72,480 EFFECTIVE MAY 21, 1979, AS AMENDED FOR THE FARRAR (TRAVIS PEAK) FIELD FREESTONE AND LIMESTONE COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on March 30, 2000, the presiding examiner has 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 examiner's 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 the Farrar, S.E. Field be and is hereby consolidated into the Farrar (Travis Peak) Field, Freestone and Limestone Counties, Texas. Field rules for the Farrar, S.E. Field, adopted under Final Order No. 7-72,143, effective April 23, 1979, are hereby rescinded.

It is further **ORDERED** by the Railroad Commission of Texas that the following Rule 1 be added to the field rules adopted in Final Order No. 5-72,480, issued effective May 21, 1979, as amended, for the Farrar (Travis Peak) Field, Freestone and Limestone Counties, Texas.

RULE 1: The entire correlative interval from 8500 feet to 10,450 feet shown on the log of the Adobe Oil Company (now Herd Producing Company, Inc.) Sadler Lease, Well No. 1, Manuel Crococio Survey, Limestone County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Farrar (Travis Peak) Field.

It is further **ORDERED** by the Railroad Commission of Texas that Rules 1 and 2 of the field rules adopted in Final Order No. 5-72,480, issued effective May 21, 1979, as amended, for the Farrar (Travis Peak) Field be and they are rescinded. Rule 3 of the field rules, adopted in Final Order No. 5-72,480, issued effective May 21, 1979, as amended, for the Farrar (Travis Peak) Field, Freestone and Limestone Counties, Texas be and it is hereby renumbered and amended as hereafter set out.

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RULE 2: The daily allowable production of gas from individual wells completed in a nonassociated gas reservoir of the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the total field allowable shall be allocated equally among all the individual proratable wells producing from this field.

NINETY-FIVE percent (95%) of the total field allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all proratable wells producing from this field.

Done this twenty-fifth day of April, 2000.

RAILROAD COMMISSION OF TEXAS

Chairman Michael L. Williams

Commissioner Charles R. Matthews

Commissioner Tony Garza

ATTEST:

Secretary