RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL AND GAS DOCKET NO. 02-0259680

COMMISSION CALLED HEARING TO SUPERCEDE THE FINAL ORDER ISSUED JUNE 6,2000 IN OIL AND GAS DOCKET NO. 02-0223201 REQUIRING PLUGGING OF WELL NO. 1 ON THE DAHLSTROM LEASE, RRC GAS ID NO. 094863, MAYO (FRIO 6530) FIELD, JACKSON COUNTY, AND TO RECOGNIZE TXO PRODUCTION CORPORATION AS THE OPERATOR OF RECORD

FINAL ORDER

The Commission finds that after statutory notice the above-captioned proceeding was heard by the examiner on November 18, 2008 who circulated a Proposal for Decision containing Findings of Fact and Conclusions of Law. The applicant waived filing exceptions to the Proposal for Decision. 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.

Accordingly, it is **ORDERED** that the provision in the Final Order issued on June 6, 2000 in Oil and Gas Docket No. 02-0223201 requiring plugging of Well No. 1 on the Dahlstrom Lease, RRC Gas ID No. 094863, Mayo (Frio 6530) Field, Jackson County, is hereby **SUPERCEDED** and of no further force and effect. All other provisions of the Final Order in Oil & Gas Docket No. 02-0223201 shall remain in full force and effect.

It is further **ORDERED** that TXO Production Corporation be recognized as the operator of Well No. 1 on the Dahlstrom Lease, RRC Gas ID No. 094863, Mayo (Frio 6530) Field, Jackson County, Texas.

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 parties are notified of the order in accordance with TEX. GOV'T CODE §2001.144.

Done this 16th day of December, 2008.

RAILROAD COMMISSION OF TEXAS (Order approved and signatures affixed by OGC Unprotested Master Order dated December 16, 2008)