

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

**OIL AND GAS DOCKET  
NO. 04-0249718**

**IN THE B.M.T (LOBO CONS.) FIELD,  
WEBB COUNTY, TEXAS**

**FINAL ORDER  
APPROVING THE APPLICATION OF EOG RESOURCES, INC.  
FOR RULE 101 CERTIFICATION FOR THE JARAL LEASE WELL NO. 1  
B.M.T. (LOBO CONS.) FIELD,  
WEBB COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on December 12, 2006, 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 EOG Resources, Inc., Jaral Lease Well No. 1 (prorated in the B.M. T. (Lobo Cons.) Field) for gas produced is hereby certified for State Severance Tax Incentive Certification for severance tax relief as a high-cost/tight gas formation well. The well is located within the designated area and is completed and producing through wildcat perforations from the Wilcox Formation as designated pursuant to Oil and Gas Docket No. 04-0244969 effective November 29, 2005. Commission Form ST-1 Application for Texas Severance Tax Incentive Certification for the EOG Resources, Jaral Lease Well No. 1 (174343) was filed on November 29, 2005.

Done this 10th day of January, 2007.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
OGC Unprotested Master Order dated  
January 10, 2007)**