

RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION

OIL & GAS DOCKET NO. 03-0264653

APPLICATION OF 306 MONTGOMERY, LTD. FOR APPROVAL OF A PROPOSED QUALIFIED SUBDIVISION PURSUANT TO STATEWIDE RULE 76 FOR A 162.425 ACRE TRACT IN THE COLIN MCRAE SURVEY, A-375 AND THE JOHN B. RICHARDS SURVEY, A-449, MONTGOMERY COUNTY, TEXAS.

FINAL ORDER

The Commission finds that after statutory notice the captioned proceeding was heard by the examiners on May 12, 2010. The proceeding having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, the Commission makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. At least ten days notice was given to the applicant and owners of possessory mineral interests and mineral lessors in the proposed qualified subdivision. Notice of Hearing was published in the Conroe Courier, a newspaper of general circulation in Montgomery County, for four consecutive weeks, on April 1, 2010, April 8, 2010, April 15, 2010 and April 22, 2010.
2. 306 Montgomery, Ltd (“hereinafter 306 Montgomery”) own all of the surface acreage in the proposed qualified subdivision and thus all of the surface ownership in the proposed qualified subdivision is represented in this hearing.
3. The proposed qualified subdivision is located in Montgomery County, a county having a population in excess of 140,000 (293,768) adjacent to Harris County, which has a population in excess of 400,000.
4. The proposed qualified subdivision is being subdivided in a manner authorized by law by the surface owner for residential use, pursuant to ordinances relating to zoning, platting, and subdivisions.
5. The proposed qualified subdivision contains 162.425 acres in the Colin McRae Survey, A-375 and the John B. Richards Survey, A-449, including one operations site totaling 6 acres. The operations site has access to proposed roads. The operations site may be used by possessory mineral interest owners to explore for and produce minerals. The operations site is located within the proposed qualified subdivision and designated on the qualified

subdivision plat which is attached as Exhibit I. Field notes for the 162.425 acre qualified subdivision, for the operations site and operations site access are set forth in Exhibit II to this Final Order.

6. The proposed qualified subdivision plat contains provision for road and pipeline easements to allow use of the operations site within the proposed qualified subdivision.
7. The area within 2.5 miles of the boundaries of the proposed qualified subdivision has been developed for the Lake Creek (Wilcox Consolidated), Pinehurst (Wilcox Consolidated), Pinehurst (Middle Wilcox) and Pinehurst (Upper Wilcox) Fields along a well-defined trend that does not include the proposed qualified subdivision. No wells are known to have been drilled on the proposed qualified subdivision.
8. The proposed operations site and pipeline and road easements are adequate to ensure that any mineral resources under the proposed qualified subdivision may be fully and effectively exploited.
9. Applicants have waived the issuance of an examiner's proposal for decision in this docket.
10. All parties have agreed on the record that, pursuant to the provisions of Texas Government Code §2001.144(a)(4), this Final Order shall be effective on the date a Master Order relating to this Final Order is signed.

CONCLUSIONS OF LAW

1. Proper notice of hearing was timely issued to appropriate persons entitled to notice.
2. All things necessary to the Commission attaining jurisdiction have occurred.
3. The application of 306 Montgomery, Ltd. for Commission approval of their proposed qualified subdivision meets the requirements of Texas Natural Resources Code, Chapter 92, and Statewide Rule 76 [16 TEX. ADMIN. CODE §3.76].
4. Pursuant to §2001.144(a)(4) of the Texas Government Code, and the consent of the applicants, this Final Order is effective when a Master Order relating to this Final Order is signed on September 14, 2010.

IT IS THEREFORE ORDERED that the application of 306 Montgomery, Ltd. for approval of a qualified subdivision containing 162.425 acres of land in the Colin McRae Survey, A-375 and the John B. Richards Survey, A-449, in Montgomery County, Texas, more particularly described by the metes and bounds descriptions in field notes and plats attached hereto and incorporated herein

for all purposes, is hereby **APPROVED**.

It is further **ORDERED** that this Final Order is effective on September 14, 2010 when the Master Order relating to this Final Order is signed.

All pending motions and requests for relief not previously granted or granted herein are denied.

Done this 14th day of September, 2010, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotected Master Order dated
September 14, 2010)**