

RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION

OIL & GAS DOCKET NO. 03-0275276

APPLICATION OF 518 SCR, LTD. FOR APPROVAL OF A PROPOSED QUALIFIED SUBDIVISION PURSUANT TO STATEWIDE RULE 76 FOR A 315.292-ACRE TRACT LOCATED IN SECTION 84, HT&B RR SURVEY, A-538, BRAZORIA COUNTY, AND SECTION 84, H&TC RR CO SURVEY, A-767, FORT BEND COUNTY, TEXAS

FINAL ORDER

This proceeding was duly submitted to the Railroad Commission of Texas at conference held at its offices in Austin, Texas. The examiners heard this proceeding on May 16, 2012, after statutory notice was provided. The Commission makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. At least ten days notice of the hearing was given to the applicant and owners of possessory mineral interests and mineral lessors in the proposed qualified subdivision. The applicant published Notice of Hearing in the *Fort Bend Herald*, a newspaper of general circulation in Fort Bend County, on April 4, April 24, May 1, and May 8, 2012. The applicant also published Notice of Hearing in *The Facts*, a newspaper of general circulation in Brazoria County, on April 6, 13, 20, and 27, 2012.
2. No protest was filed, and no one appeared at the hearing to protest the application.
3. The proposed qualified subdivision is a 315.292-acre tract of land located in Section 84, HT&B RR Survey, A-538, Fort Bend County and Section 84, H&TC RR Co Survey, A-767, Brazoria County.
 - a. A plat of the proposed qualified subdivision, which was admitted as Exhibit 5 at the hearing, is attached as Exhibit A to this Final Order. The legal description of the proposed qualified subdivision is attached as Exhibit B to this Final Order.
4. Brazoria County has a population in excess of 140,000, and Fort Bend County has a population in excess of 400,000. Both Brazoria County and Fort Bend County border Harris County, which has a population in excess of 400,000.

5. 518 SCR, Ltd. ("518 SCR") is the sole owner of the surface estate of all acreage in the proposed qualified subdivision.
6. The surface owner has subdivided the proposed qualified subdivision in a manner authorized by law for residential or commercial use.
 - a. 518 SCR has commenced the process by which the City of Pearland reviews and ultimately approves 518 SCR's plan for the subdivision.
7. There are 37 wells drilled within 2.5 miles of the boundary of the proposed qualified subdivision. None of these wells have ever produced hydrocarbons. One of the 37 wells was completed but never produced; 36 wells were dry holes. All 37 wells have been plugged and abandoned.
8. No Railroad Commission designated oil and/or gas field underlies the proposed qualified subdivision.
9. The proposed qualified subdivision contains two operations sites, each having a surface area of 4 acres, which possessory mineral interest owners may use to explore for and produce minerals. The operations sites are located within the proposed qualified subdivision and designated on the plat attached as Exhibit A.
 - a. A legal description of the operations sites is attached as Exhibit C to this Final Order.
10. The proposed qualified subdivision provides access to road and pipeline easements to allow use of the operations sites.
 - a. The northwest operations site is directly adjacent to and has access to a public road, West Broadway Street (F.M. 518 / C.R. 92). The southeast operations site is directly adjacent to and has access to a public road, C.R. 59 (Airline-Ft. Bend Road #2).
11. 518 SCR has waived the issuance of an examiner's proposal for decision.
12. All parties have agreed in writing that this Final Order shall be effective on the date that a Master Order approving this Final Order is signed.

CONCLUSIONS OF LAW

1. Proper notice was given to persons legally entitled to notice.
2. All things necessary for the Railroad Commission to attain jurisdiction have been done or have occurred.
3. The application complies with the requirements of Statewide Rule 76 (16 Tex. Admin. Code § 3.76) and Texas Natural Resources Code § 92.001–92.004.

4. The number and location of the proposed operations sites and road and pipeline easements are adequate.
5. Approval of the application will ensure the full and effective development of the mineral resources that might underlie the subdivision and the most efficient use of the surface estate.

It is therefore **ORDERED** that the application of 518 SCR, Ltd. for approval of a 315.292-acre qualified subdivision located in Section 84, HT&B RR Survey, A-538, Fort Bend County and Section 84, H&TC RR CO Survey, A-767, Brazoria County, and identified on the subdivision plat attached as Exhibit A to this Final Order be and hereby is **APPROVED**. The legal descriptions of the subdivision and the operations sites are attached as Exhibits B and C respectively to this Final Order.

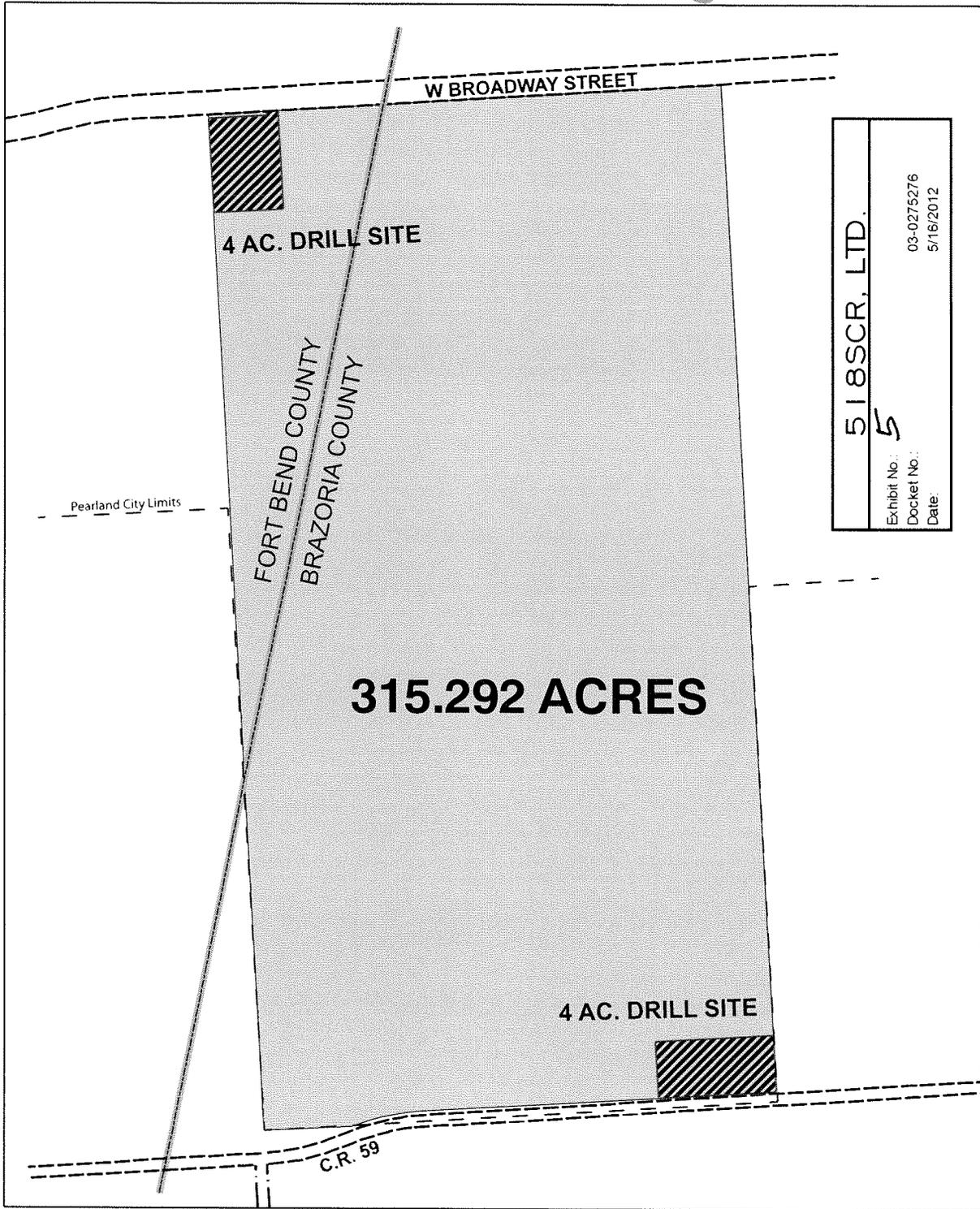
It is further **ORDERED** that this Final Order is effective on July 17, 2012, when the Master Order relating to this Final Order is signed.

Done this 17th day of July 2012.

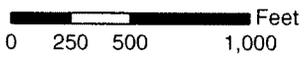
RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by OGC Unprotested Master Order dated
July 17, 2012.)**

EXHIBIT A



5 I 8SCR, LTD.	
Exhibit No.:	5
Docket No.:	03-0275276
Date:	5/16/2012



Legend

-  Operation Sites
-  Proposed Qualified Subdivision

5 I 8SCR, LTD.

Proposed Qualified Subdivision
Pursuant to Railroad Commission Statewide Rule 76
for a
315.292 Acre Tract
in the
Brazoria County: Section 84, HT&B RR, A-538
Fort Bend County: Section 84, H&TC RR CO, A-767

Oil & Gas Docket No. 03-0275276
Final Order

EXHIBIT B

DESCRIPTION OF
315.292 ACRES

Being 315.292 acres of land located in the H.T. & B.R.R. Co. Survey, Section 84, Abstract No. 538, Brazoria County, Texas and Abstract No. 767, Fort Bend County, Texas, more particularly being those certain tract of land conveyed to Pearland Investments Limited Partnership as follows: all of the residue of that certain called 160.048 acre tract by instrument of record under File No. 03-044886 and Document No. 2004059020, Official Records of Brazoria County, Texas (B.C.O.R.), all of that certain called 80.01 acre tract by instrument of record under Document No. 2006057599, B.C.O.R. and File No. 2006121315, Official Public Records of Fort Bend County, Texas (F.B.C.O.P.R.), all of that certain called West One-Half of the West One-Half of the West One-Half (W1/2 of W1/2 of W1/2) of aforementioned H.T. & B.R.R. Co. Survey, Section 84, by instrument of record under Document No. 2006057597, B.C.O.R. and File No. 2006121316, F.B.C.O.P.R.; said 315.292 acres being more particularly described by metes and bounds as follows, all bearings referenced to Texas Coordinate System, South Central Zone (NAD 27);

BEGINNING a point in the centerline of County Road 59 and in the southerly line of said Section 84, the northerly line of J. S. Talmage Survey, Abstract 566, same being the southwest corner of Lot 4, Block 84 as shown on Allison Richey Gulf Coast Home Co's Part of Suburban Gardens, a subdivision of record in Volume 2, Page 98, Plat Records, of said Brazoria County (B.C.P.R.), said Lot 4, Block 84 being conveyed to Florence Ferrer and spouse Fernando Ferrer, by instrument recorded under File Number 00-000868, B.C.O.R.;

Thence, with the common survey line of said Section 84 and J. S. Talmage Survey, South $86^{\circ} 46' 14''$ West, 1,320.00 feet to a point for corner;

Thence, leaving said common survey line, North $03^{\circ} 13' 07''$ West, 32.01 feet to a point for corner on the north line of a called 0.497 acre roadway easement conveyed to Brazoria County, by instrument of record in Volume (85) 140, Page 964, B.C.O.R. and amended by Volume (87) 466, Page 749, B.C.O.R.;

315.292 acres

June 21, 2010
Job No. 1545-2010

Thence, with the northerly line of said roadway easement, South $86^{\circ} 50' 01''$ West, 500.40 feet to a point for corner, the beginning of a curve;

Thence, continuing with said northerly line, 266.19 feet along the arc of a tangent curve to the left having a radius of 1,175.92 feet, a central angle of $12^{\circ} 58' 12''$ and a chord which bears South $80^{\circ} 20' 55''$ West, 265.62 feet to a point for corner on the common line of the aforementioned H.T. & B.R.R. Co. Survey, Section 84 and J.S. Talmage Survey, Abstract 566, Brazoria County Texas;

Thence, with said common survey line, South $86^{\circ} 50' 01''$ West, 555.65 feet to a point for corner on the east line of the Manuel Escalera Survey, Abstract 654 in Brazoria County and Abstract 169 in Fort Bend County, Texas;

Thence, with the common line of said Manuel Escalera Survey and said H.T. & B.R.R. Co. Survey, Section 84, North $03^{\circ} 13' 07''$ West, 3,182.39 feet to a point for corner being on the south line of that certain called 132.5682 acre tract conveyed to Robert S. Bender, Trustee, by instrument of record under File No. 2005157909, F.B.C.O.P.R., also being the common east corner of said Manuel Escalera Survey and the A.B. Langermann Survey, Abstract 555, Fort Bend County, Texas, and the northeast corner of Golden Highway Properties, a subdivision of record in Volume 232, Page 246, Deed Records, Fort Bend County, Texas;

Thence, with the common line of said H.T. & B.R.R. Co. Survey, Section 84 and the A.B. Langermann Survey, also being the east line of said 132.5682 acre tract, North $03^{\circ} 13' 55''$ West, 1,936.39 feet to a point for corner, being the northeast corner of said 132.5682 acre tract, same being the southeast corner of the residue of a called 229.519 acre tract conveyed to Pearland Investments Limited Partnership, by instrument of record under File No. 1999028261 of said F.B.C.O.P.R., also being the northeast corner of said A.B Langermann Survey, and the southeast corner of the Franklin Hooper Survey, Abstract 198, Fort Bend County, Texas;

315.292 acres

June 21, 2010
Job No. 1545-2010

Thence, with the common line of said Franklin Hooper Survey and said H.T. & B. R.R. Co. Survey, Section 84, same being the east line of said 229.519 acre tract, North $03^{\circ} 03' 38''$ West, 88.21 feet to a point for corner on the south right-of-way line of Broadway Street (called 120 feet wide) as shown on Final Plat of Shadow Creek Ranch Broadway Street Extension From County Line to F.M. 521, a subdivision of record in Plat No. 20090010, Plat Records, of said Fort Bend County;

Thence, with the said south right-of-way line of record in said Plat No. 20090010, F.B.C.P.R. and 2007044080, B.C.P.R., North $86^{\circ} 44' 14''$ East, 2,640.13 feet to a point for corner on the west line of that certain called 522.62 acre tract conveyed to Ashton Southern Trails Joint Venture, by instrument of record under File No. 04-002615, B.C.O.R., same being on the east line of the aforementioned 160.048 acre tract;

Thence, along the westerly line of said 522.62 acre tract, South $03^{\circ} 13' 07''$ East, at approximately 2,570 feet passing the northwest corner of Lot 1, Block 84 of the aforementioned Allison Richey Gulf Coast Home Co's Part of Suburban Gardens, and continuing with the west line of said Allison Richey Gulf Coast Home Co's Part of Suburban Gardens, in all a total distance of 5,211.98 feet to the POINT OF BEGINNING and containing 315.292 acres of land.

LJA Engineering & Surveying, Inc.

EXHIBIT C

DESCRIPTION OF
4.155 ACRES
(181,004 SQUARE FEET)
NORTH DRILL SITE

Being 4.155 acres (181,004 square feet) of land located in the H.T. & B.R.R. Co. Survey, Sec. 84, Abstract Number 767, in Fort Bend County, Texas, being a portion of that certain called 315.292 acre tract of land conveyed to 518SCR, LTD by instrument of record in File Number 2011089118, Official Public Records, Fort Bend County, Texas (F.B.C.O.P.R.) and in Document Number 2011036869, Official Public Records, Brazoria County, Texas (B.C.O.P.R.), said 4.155 acre tract being more particularly described by metes and bounds as follows (all bearings referenced to the Texas Coordinate System, South Central Zone, NAD27);

BEGINNING at the northwest corner of said 315.292 acre tract, said point being on the south right-of-way line of Broadway Street (120 feet wide) as shown on Shadow Creek Ranch Broadway Street Extension From County Line to F.M. 521, a subdivision of record in Plat Number 20090010, Plat Records, Fort Bend County, Texas (F.B.C.P.R.), said point being on the east line of the residue of that certain called 229.519 acre tract conveyed to Pearland Investments Limited Partnership by an instrument of record under File Number 1999028261, F.B.C.O.P.R., said point also being on the common survey line of said H.T. & B.R.R. Co. Survey, Sec. 84 and the Franklin Hopper Survey, Abstract Number 198, in Fort Bend County, Texas

Thence, North 86° 44' 14" East, departing said common survey line and along the north line of said 315.292 acre tract and the south right-of-way line of said Broadway Street, 361.33 feet to a point for corner on the west line of that certain called 80-foot wide easement conveyed to Houston Lighting and Power Company by an instrument of record under Volume 815, Page 662, of the Deed Records of said Brazoria County, Texas and amended by instruments of record under Document Number 2007066019, Official Public Records, Brazoria County, Texas (B.C.O.P.R.) and File Number 2007155246, F.B.C.O.P.R.;

Thence, South 03° 09' 05" East, departing the north line of said 315.292 acre tract and the south right-of-way line of said Broadway Street and along the west line of said 80-foot wide easement, 501.00 feet to a point for corner;

4.155 Acres

May 31, 2012
Job No. 2027-0700T

Thence, South 86° 44' 14" West, departing said 80-foot wide easement, 360.97 feet to a point for corner on the west line of said 315.292 acre tract, said point being on the aforementioned common survey line of said H.T. & B.R.R. Co. Survey, Sec. 84 and Langermann Survey, Abstract Number 555, said point also being on the east line of that certain called 132.5682 acre tract conveyed to Robert S. Bender, Trustee by an instrument of record under File number 2005157909, F.B.C.O.P.R.;

Thence, North 03° 13' 55" West, along said common survey line and the west line of said 315.292 acre tract and the east line of said 132.5682 acre tract, 412.78 feet to a point for the northeast corner of said 132.5682 acre tract and the southeast corner of the aforementioned 292.519 acre tract, said point being the common east corner of said Langermann Survey and the aforementioned Franklin Hopper Survey;

Thence, North 03° 00' 38" West, continuing along the west line of said 315.292 acre tract, and along the east line of said 292.519 acre tract and along the common survey line of said H.T. & B.R.R. Co. Survey, Sec. 84 and Franklin Hopper Survey, 88.21 feet to the POINT OF BEGINNING and containing 4.155 acres (181,004 square feet) of land.

This description is based on record information only and does not reflect an on the ground survey. Corners were not set at the client's request.

LJA Engineering, Inc

DESCRIPTION OF
4.070 ACRES
(177,299 SQUARE FEET)
SOUTH DRILL SITE

Being 4.070 acres (177,299 square feet) of land located in the H.T. & B.R.R. Co. Survey, Sec. 84, Abstract Number 538, in Brazoria County, Texas, being a portion of that certain called 315.292 acre tract of land conveyed to 518SCR, LTD by instrument of record in File Number 2011089118, Official Public Records, Fort Bend County, Texas (F.B.C.O.P.R.) and in Document Number 2011036869, Official Public Records, Brazoria County, Texas (B.C.O.P.R.), said 4.070 acre tract being more particularly described by metes and bounds as follows (all bearings referenced to the Texas Coordinate System, South Central Zone, NAD27);

COMMENCING for reference at the southeast corner of said 315.292 acre tract, said point being on the common survey line of said H.T. & B.R.R. Co. Survey, Sec. 84 and the J.S. Talmage Survey, Abstract Number 566, in said Brazoria County, Texas, said point being the southwest corner of Lot 4, Block 84 of the Allison Richey Gulf Coast Home Company Part of Suburban Gardens, a subdivision of record in Volume 2, Page 98, of the Plat Records of said Brazoria County, Texas;

Thence, North 03° 11' 07" East, departing said common survey line and along the east line of said 315.292 acre tract, 61.98 feet to the POINT OF BEGINNING of the herein described tract;

Thence, South 86° 37' 29" West, departing the east line of said 315.292 acre tract, 610.04 feet to a point for corner;

Thence, North 03° 13' 07" West, 291.20 feet to a point for corner;

Thence, North 86° 44' 14" East, 610.20 feet to a point for corner on the east line of said 315.292 acre tract;

4.070 Acres

May 31, 2012
Job No. 2027-0700T

Thence, South 03° 11' 07" East, along the east line of said 315.292 acre tract, 290.00 feet to the POINT OF BEGINNING and containing 4.070 acres (177,299 square feet) of land.

This description is based on record information only and does not reflect an on the ground survey. Corners were not set at the client's request.

LJA Engineering, Inc