RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET
NO. 06-0246800

IN THE WASKOM (GLOYD) FIELD,
HARRISON COUNTY, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF
SHELBY OPERATING COMPANY FOR
INCREASED GAS/OIL RATIO AUTHORITY
FOR ITS VINCENT LEASE WELL NO. 9
WASKOM (GLOYD) FIELD
HARRISON COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on May 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, 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 Shelby Operating Company be and is hereby granted permission to produce its Vincent Lease Well No. 9, in the Waskom (Gloyd) Field, Harrison County, Texas, under increased gas-oil ratio authority with a daily gas limit of 300 MCF, without reducing the oil allowable.

It is further ORDERED that all overproduction for the Shelby Operating Company Vincent Lease, in the Waskom (Gloyd) Field, be and is hereby canceled as of the date of the Final Order.

Done this sixth day of June, 2006.

RAILROAD COMMISSION OF TEXAS
(Order approved and signatures affixed by
OGC Unprotested Master Order dated June
6, 2006.)