RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARING SECTION

OIL AND GAS DOCKET IN THE DONNA (UPPER MORIN) FIELD
NO. 04-0252707 HIDALGO COUNTY, TEXAS

FINAL ORDER
APPROVING INCREASED NET GAS-OIL RATIO AUTHORITY
FOR THE BP AMERICA PRODUCTION COMPANY, SCHUSTER OIL UNIT
WELL NO. 1 IN THE DONNA (UPPER MORIN) FIELD
HIDALGO COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on September 13, 2007, 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 BP America Production Company is hereby granted permission to produce the Schuster Oil Unit Well No. 1 in the Donna (Upper Morin) Field, Hidalgo County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 2500 MCFD. It is further ordered the subject well’s oil allowable shall not be penalized unless the above permitted casinghead gas limit is exceeded. It is further ordered that all accumulated overproduction for the Schuster Oil Unit (RRC Lease No. 13381) be canceled.

Done this 9th day of October 2007.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC
Unprotested Master Order dated October 9, 2007)