RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET
NO. 03-0262612

IN THE DAYTON, NORTH (YEGUA EY-1) FIELD, LIBERTY COUNTY, TEXAS

FINAL ORDER
ESTABLISHING THE MOST EFFICIENT RATE OF PRODUCTION
AND APPROVING INCREASED NET GAS-OIL RATIO AUTHORITY
FOR THE PREVOT WELL NO. 1
DAYTON, NORTH (YEGUA EY-1) FIELD
LIBERTY COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on August 28, 2009, 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 most efficient rate of production at the current time for Houston Energy, L.P. - Prevot Lease (25308) Well No. 1 in the Dayton, North (Yegua EY-1) Field is 275 BOPD. It is further ordered by the Railroad Commission of Texas that Houston Energy, L.P. is hereby granted permission to produce the Prevot Lease (25308) Well No. 1 in the Dayton, North (Yegua EY-1) Field, Liberty County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 750 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 this lease is canceled.

Done this 29th day of September, 2009.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated September 29, 2009)