THE COMMISSION finds that after statutory notice in the above-numbered docket heard on April 7, 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, 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 application of Brigham Oil & Gas, L.P. (now Penn Virginia Oil & Gas), for a new field discovery for the Bouldin Lake (Lower Frio) Field (RRC Field No. 10802-240), Matagorda County, Texas be and hereby is approved.

Therefore, it is ordered by the Railroad Commission of Texas that the following operating rule shall be adopted for the Bouldin Lake (Lower Frio) Field, Matagorda County, Texas.

**RULE 1:** The entire combined correlative interval from 13,903' to 14,175' as shown on the Type Log of the Brigham Oil & Gas (now Penn Virginia Oil & Gas) Wyse Lease Well No. 1 (API No. 321-32040), C.R. Bostwick & R. Brotherton Survey, A-6, Matagorda County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Bouldin Lake (Lower Frio) Field.

**RULE 2:** The daily allowable production of gas from individual wells completed in a non-associated gas reservoir of the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

TWENTY-FIVE percent (25%) of the total field allowable shall be allocated equally among the proratable wells in the field.

SEVENTY-FIVE percent (75%) of the total field allowable shall be allocated among the
individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all proratable wells producing from this field.

It is further ordered that all overproduction for the Brigham Oil & Gas (now Penn Virginia Oil & Gas), Wyse Lease Well No. 1 (API No. 321-32040) is hereby canceled.

It is further ordered by the Railroad Commission of Texas that the application of Brigham Oil & Gas for gas well classification for the Brigham Oil & Gas (now Penn Virginia Oil & Gas) Wyse Lease Well No. 1 (API No. 321-32040) in the Bouldin Lake (Lower Frio) Field, Matagorda County, Texas, be and it is hereby approved without further administrative review.

Done the 16th day of May, 2006.

RAILROAD COMMISSION OF TEXAS
(Order approved and signatures affixed by OGC Unprotested Master Order dated May 16, 2006)