RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET
NO. 03-0250636

IN THE GALVESTON 310-L (MIocene)
FIELD, OFFSHORE BRAZORIA COUNTY
TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF
HALL-HOUSTON EXPL. II, L.P. FOR NEW FIELD DESIGNATION
GALVESTON 310-L (MIocene) FIELD
OFFSHORE BRAZORIA COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on March 5, 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 the application of Hall-Houston Expl. II, L.P. for new field designation for its S. T. 310-L N/2 NE/4 Lease Well No. 3 is hereby approved. The new field shall be known as the Galveston 310-L (Miocene) Field, ID No. 33841 500, Offshore Brazoria County, Texas.

It is further ordered that the following field rules are hereby adopted for the Galveston 310-L (Miocene) Field, Offshore Brazoria County, Texas:

RULE 1: The entire correlative interval between 7,100 feet (TVD) to 7,420 feet (TVD), as shown on the log of the S.T. 310-L N/2 NE/4 Lease Well No. 3 (API 706 30244), Galveston St Tr 310-L, Offshore Brazoria County, shall be designated as a single reservoir for proration purposes and be designated as the Galveston 310-L (Miocene) Field.

RULE 2: The daily allowable production of gas from individual wells completed in 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:

FIVE percent (5%) of the field's total allowable shall be allocated equally among all the individual proratable wells producing from the field.
NINETY-FIVE percent (95%) of the field's total 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 the field.

Done this 29th day of March, 2007.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by
OGC Unprotested Master Order dated March
29, 2007)