

**RAILROAD COMMISSION OF TEXAS  
OFFICE OF GENERAL COUNSEL**

**OIL AND GAS DOCKET  
NO. 04-0228431**

**IN THE TOM EAST (13800) FIELD,  
BROOKS COUNTY, TEXAS**

**FINAL ORDER  
APPROVING THE APPLICATION OF COASTAL OIL & GAS CORPORATION  
FOR A NEW FIELD DESIGNATION AND  
ADOPTING FIELD RULES  
FOR THE TOM EAST (13800) FIELD  
BROOKS COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on June 20, 2001, 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 thereto, 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 Coastal Oil & Gas Corporation for a New Field Designation to be known as the Tom East (13,800) Field (No. 90480 950), Brooks County, Texas, be and it is hereby approved.

It is further **ORDERED** by the Railroad Commission of Texas that the following field rules be and are hereby adopted for the Tom East (13800) Field.

RULE 1: The entire correlative interval from 13,800 feet to 14,100 feet as shown on the Gamma Ray log of the Coastal Oil & Gas Company Santa Fe Ranch Lease Well No. 1, Survey, Brooks County, Texas, shall be designated as a single reservoir for proration purposes and be designated as the Tom East (13800) Field.

RULE 2: No well for gas or oil shall hereafter be drilled nearer than FOUR HUNDRED SIXTY-SEVEN (467) feet to any property line, lease line, or subdivision line and no well shall be drilled nearer than NINE HUNDRED THIRTY-THREE (933) feet to any applied for, permitted or completed well in the same reservoir on the same lease, pooled unit or unitized tract. The aforementioned distances in the above rule are minimum distances to allow an operator flexibility in locating a well, and the above spacing rule and the other rules to follow are for the purpose of permitting only one well to each drilling and proration unit. Provided however, that the Commission will grant exceptions to permit drilling within shorter distances and drilling more wells than herein prescribed whenever the Commission shall have determined that such exceptions are necessary either to prevent waste or to prevent the confiscation of property. When exception to these rules is desired, application therefor shall be filed and will be acted upon in accordance with the provisions of Commission Statewide Rules 37 and 38, which applicable provisions of said rules are incorporated herein by reference. The standard drilling unit shall remain forty (40) acres per well.

In applying this rule, the general order of the Commission with relation to the subdivision of property shall be observed.

RULE 3: 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:

FIVE percent (5%) of the total field allowable shall be allocated equally among the individual proratable wells producing from this field.

NINETY-FIVE percent (95%) 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.

Done this twenty-fourth day of July, 2001.

**RAILROAD COMMISSION OF TEXAS**

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**Chairman Michael L. Williams**

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**Commissioner Charles R. Matthews**

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**Commissioner Tony Garza**

**ATTEST:**

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**Secretary**