

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

**OIL AND GAS DOCKET
NO. 04-0257313**

**IN THE VIEJOS LOCOS (FRIO LWR)
FIELD, KENEDY COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF NEWFIELD EXPLORATION COMPANY
FOR A NEW FIELD DESIGNATION
VIEJOS LOCOS (FRIO LWR) FIELD
KENEDY COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 9, 2008, 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 Newfield Exploration Company for a new field designation for its East, Mrs. S. K. "B" Lease Well No. 94 is hereby approved. The new field shall be known as the Viejos Locos (Frio Lwr) Field (RRC Field No. 93775 500), Kenedy County, Texas.

It is further ordered that the following field rules are hereby adopted for the Viejos Locos (Frio Lwr) Field, Kenedy County, Texas:

RULE 1: The correlative interval from 15,755 feet to 17,250 feet measured depth as shown on the log for the Newfield Exploration Company - East, Mrs. S. K. "B" Lease Well No. 94 (API No. 42-261-31465), Kenedy County, Texas, shall be designated as the Viejos Locos (Frio Lwr) 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:

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

Done this 29th day of July, 2008.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures
affixed by OGC Unprotected Master
Order dated July 29, 2008)**