

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

**OIL AND GAS DOCKET  
NO. 04-0250222**

**IN THE LAS TIENDAS (OLMOS)  
FIELD, WEBB COUNTY, TEXAS**

**FINAL ORDER  
CONSOLIDATION OF THE LAS TIENDAS (OLMOS MIDDLE) FIELD  
INTO THE LAS TIENDAS (OLMOS) FIELD  
WEBB COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on February 9, 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.

It is ordered by the Railroad Commission of Texas that the Las Tiendas (Olmos Middle) Field, located in Webb County, Texas, be and it is hereby combined into the Las Tiendas (Olmos) Field, Webb County, Texas; and from and after said effective date, all records and reports filed with the Commission will show such designation.

Further, it is ordered that Special Field Rules No.3 as adopted in Final Order No.04-0244588, issued effective January 10, 2006, for the Las Tiendas (Olmos) Field, Webb County, Texas be and is hereby re-stated for a typographical error:

**RULE 3:** The acreage assigned to the individual gas well for the purpose of allocating allowable gas production thereto shall be known as a proration unit. The standard drilling and proration units are established hereby to be THREE HUNDRED AND TWENTY (320) acres. No proration unit shall consist of more than THREE HUNDRED AND TWENTY (320) acres; provided that, tolerance acreage of ten (10) percent shall be allowed for each standard proration unit so that an amount not to exceed a maximum of THREE HUNDRED AND FIFTY-TWO (350) acres may be assigned. The two farthestmost points in any proration unit shall not be in excess of SIX THOUSAND FIVE HUNDRED (6,500) feet removed from each other. Each proration unit containing less than THREE HUNDRED AND TWENTY (320) acres shall be a fractional proration unit. All proration units shall consist of continuous and contiguous acreage which can reasonably be considered to be productive of gas. No double assignment of acreage will be accepted.

An operator, at his option, shall be permitted to form optional drilling units of FORTY (40)

acres. A proportional acreage allowable credit will be given for a well on a fractional proration unit. The two farthestmost points of a FORTY (40) acre fractional proration unit shall not be greater than TWO THOUSAND ONE HUNDRED (2100) feet removed from each other.

Operators shall file with the Commission certified plats of their properties in said field, which plats shall set out distinctly all of those things pertinent to the determination of the acreage credit claimed for each well; provided that if the acreage assigned to any proration unit has been pooled, the operator shall furnish the Commission with such proof as it may require as evidence that interests in and under such proration unit have been so pooled.

Further, it is ordered by the Railroad Commission of Texas that the allocation formula shall remain suspended pursuant to Statewide Rule 31(j).

Done this the 23rd day of February, 2007.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by OGC  
Unprotested Master Order dated February 23, 2007)**