

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 8A-0296035**

**IN THE CARM-ANN (SAN ANDRES)
FIELD, GAINES COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF PARALLEL PETROLEUM LLC
PURSUANT TO STATEWIDE RULE 50 FOR APPROVAL OF ITS FORM H-13
EOR POSITIVE PRODUCTION RESPONSE CERTIFICATION
FOR PROJECT NO. F-16883H, CARM-ANN (SAN ANDRES) UNIT,
CARM-ANN (SAN ANDRES) FIELD, GAINES COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on August 19, 2015, the presiding Examiners have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record; 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 proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions filed thereto, hereby adopts as its own Findings of Fact Nos. 1. through 9., and Conclusions of Law Nos. 1, 2 and 4, contained therein, and incorporates said Findings of Fact and Conclusions of Law as if fully set out and separately stated herein. The Commission declines to adopt all other proposed Findings of Fact and Conclusions of Law.

The Commission hereby adopts the following additional Findings of Fact and substitute Conclusions of Law:

Additional Finding of Fact:

10. Parallel Petroleum LLC's H-13 Positive Production Response Certification application is technically complete and meets the positive production response requirements of Statewide Rule 50(g)(2)(A) and Texas Tax Code §202.054(g).

Substitute Conclusions of Law:

3. Parallel Petroleum LLC met the positive production response requirements of Statewide Rule 50. 16 Tex. Admin. Code § 3.50

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any

exceptions and replies 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 Parallel Petroleum LLC pursuant to Statewide Rule 50 for a positive production response certification, Carm-Ann (San Andres) Unit (F-16883H), Carm-Ann (San Andres) Field, Gaines County, Texas, is hereby **GRANTED**, with a certification date of March 10, 2015.

Each exception to the examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission. Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date Commission Order is signed.

Done this 15th day of December, 2015.

RAILROAD COMMISSION OF TEXAS



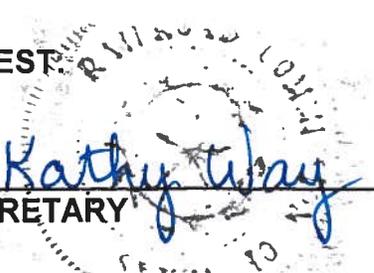
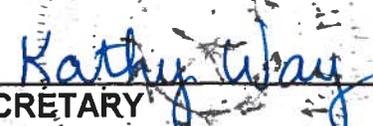
CHAIRMAN DAVID PORTER



COMMISSIONER CHRISTI CRADDICK

COMMISSIONER RYAN SITTON

ATTEST



SECRETARY