

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

**OIL AND GAS DOCKET
NO. 02-0235368**

**IN THE LAKE PASTURE (H-434)
FIELD, REFUGIO COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF T-C OIL COMPANY
AND HILCORP ENERGY COMPANY
FOR INCREASED GAS ALLOWABLE FOR GAS WELLS
LAKE PASTURE (H-434) FIELDS
REFUGIO COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 23, 2003, 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 that T-C Oil Company and Hilcorp Energy Company be and are hereby granted permission to produce gas wells in the Lake Pasture (H-434) Field, Refugio County, Texas, at daily rates up to 1500 MCF, subject to the following conditions:

1. The increased gas allowables will apply only to wells completed on the east side of a water-block established between the east side of the field and the oil wells on the west side of the field;
2. Total daily field allowable will be 10 MMCF; and Hilcorp Energy Company wells will be allowed to produce up to 3.92 MMCF per day while T-C Oil Company wells will be allowed to produce up to 6.08 MMCF per day; and
3. No operator or well can produce more than these volumes calculated on a monthly basis; and no overproduction or underproduction can be accrued.

Done this fifth day of August, 2003

**RAILROAD COMMISSION OF TEXAS
(Order approved and signatures affixed by
OGC Unprotested Master Order dated
August 5, 2003.)**