

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

**OIL AND GAS DOCKET
NO. 03-0266126**

**IN VARIOUS NONA MILLS FIELDS,
HARDIN COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF
SYNERGY OIL & GAS, L.P.
FOR RULE 10 EXCEPTIONS
IN VARIOUS NONA MILLS FIELDS
HARDIN COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on July 29, 2010, 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 Synergy Oil & Gas, L.P. for exceptions to Statewide Rule 10 for existing and future wells operated by Synergy Oil & Gas, L.P. or its successors, in the following fields, Hardin County, Texas are hereby approved.

| <u>FIELD NAME</u> | <u>FIELD NUMBER</u> |
|------------------------------|----------------------------|
| Nona Mills Field | 65799 001 |
| Nona Mills (-A-) Field | 65799 100 |
| Nona Mills (-B- Sand) Field | 65799 200 |
| Nona Mills (-C- Sand) Field | 65799 230 |
| Nona Mills (-E- Sand) Field | 65799 275 |
| Nona Mills (-F- Sand) Field | 65799 300 |
| Nona Mills (F-1 Yegua) Field | 65799 325 |
| Nona Mills (-F-2 Sand) Field | 65799 400 |
| Nona Mills (-G-) Field | 65799 500 |
| Nona Mills (-H-) Field | 65799 600 |
| Nona Mills (-I-) Field | 65799 800 |

For wells which are commingled in any combination of the subject fields after the effective date of this order, commingled production shall be assigned to any of the fields listed.

Further, acreage assigned to wells on any leases for allocation of allowable shall not be assigned to any other well or wells projected to or completed in any of the fields; such duplicate assignment of acreage is not acceptable, provided however, that this limitation shall not prevent the reformation of development or proration units so long as no duplicate assignment of acreage occurs, and further, that such reformation does not violate other conservation regulations.

The operator of any well downhole commingled in any combination of the subject fields shall file the appropriate completion forms and/or other forms as required by the Commission and shall file at the same time the appropriate Commission required administrative Rule 10 exception downhole commingling fee.

Done this 24th day of August, 2010.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
OGC Unprotested Master Order dated August
24, 2010)**