

RAILROAD COMMISSION OF TEXAS  
OIL AND GAS DIVISION

OIL AND GAS DOCKET  
NO. 09-0228398

IN THE GADBERRY (CADDO LIME)  
AND MORRIS (CONSOLIDATED  
CONGL.) FIELDS, WISE COUNTY,  
TEXAS

FINAL ORDER  
APPROVING THE APPLICATION OF MITCHELL ENERGY COMPANY, L. P.  
FOR A RULE 10 EXCEPTION  
FOR ITS FAYE PHILLIPS GAS UNIT WELL NO. 3C  
IN THE GADBERRY (CADDO LIME) FIELD  
AND IVY D. LAWRENCE WELL NO. 1T IN THE  
MORRIS (CONSOLIDATED CONGL.) FIELD  
WISE COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on April 4, 2002, 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 Mitchell Energy Company, L.P. for exception to Statewide Rule 10 for its Faye Phillips Gas Unit Well No. 3C in the Gadberry (Caddo Lime) Field, and the Ivy D. Lawrence Well No. 1T in the Morris (Consolidated Congl.) Field, Wise County, Texas, be and it is hereby approved. Such commingled production shall be assigned to the Morris (Consolidated Congl.) Field for proration purposes.

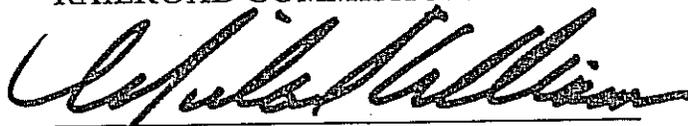
Further, acreage assigned after commingling to the Ivy D. Lawrence Well No. 1 for allocation of allowable shall not be assigned to any other well or wells projected to or completed in the Gadberry (Caddo Lime) Field and the Morris (Consolidated Congl.) Field; such duplicate assignment of acreage is not 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.

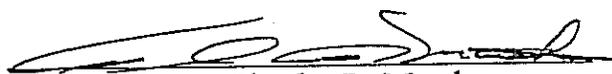
It is further ORDERED that royalties on commingled production from the subject well be allocated as follows:

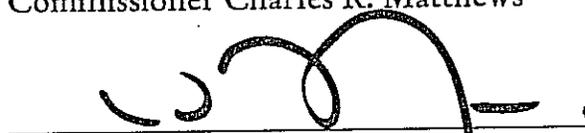
64.4% to the Faye Phillips Gas Unit in the Gadberry (Caddo Lime) Field, and  
35.6% to the Ivy D. Lawrence Lease in the Morris (Consolidated Congl.) Field.

Done this 22nd day of April, 2002.

RAILROAD COMMISSION OF TEXAS

  
Chairman Michael L. Williams

  
Commissioner Charles R. Matthews

  
Commissioner Tony Garza



ATTEST:  
  
Secretary