

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

**OIL AND GAS DOCKET
NO. 06-0255552**

**IN THE NOONDAY (RODESSA) FIELD
INTO THE NOONDAY (TRAVIS PEAK)
FIELD, SMITH COUNTY**

**FINAL ORDER
CONSOLIDATING THE NOONDAY (RODESSA) FIELD
INTO THE NOONDAY (TRAVIS PEAK) FIELD
AND ADOPTING FIELD RULES FOR THE
NOONDAY (TRAVIS PEAK) FIELD
SMITH COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on March 7, 2008, the presiding examiner has made and filed a report and recommendation 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 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 Noonday (Rodessa) Field is hereby consolidated into the Noonday (Travis Peak) Field, Smith County, Texas; and all records and reports filed with the Commission will show such designation.

It is further **ORDERED** by the Commission that the following rules are hereby adopted for the Noonday (Travis Peak) Field:

RULE 1: The entire correlative interval from 11,250 feet as shown on the log of the Noonday Gas Unit 1 Well No. 1, API 423-31729, Thomas Quevedo Survey, A-18, to 12,990 feet as shown on the log of the Bracken Grandchildren Trust Well No. 1, API 423-31180, Thomas Quevedo Survey, A-18, Smith County, shall be designated as the Noonday (Travis Peak) Field.

RULE 2: No well for gas shall hereafter be drilled nearer than FOUR HUNDRED SIXTY-SEVEN (467) feet to any property line, lease line, or subdivision line and no well shall be drilled nearer than SIX HUNDRED SIXTY (660) feet to any applied for, permitted or completed well in the same reservoir on the same lease, pooled unit or unitized tract. The aforementioned distances in the above rule are minimum distances to allow an

operator flexibility in locating a well, and the above spacing rule and the other rules to follow are for the purpose of permitting only one well to each drilling and proration unit in either field. Provided however, that the Commission will grant exceptions to permit drilling within shorter distances and drilling more wells than herein prescribed whenever the Commission shall have determined that such exceptions are necessary either to prevent waste or to prevent the confiscation of property. When exception to these rules is desired, application therefor shall be filed and will be acted upon in accordance with the provisions of Commission Statewide Rules 37 and 38, which applicable provisions of said rules are incorporated herein by reference. The standard drilling unit shall be forty (40) acres per well.

In applying this rule, the general order of the Commission with relation to the subdivision of property shall be observed.

Operators shall not be required to file Form P-15 and plats for wells in this field.

RULE 3: The daily allowable production of gas from individual wells completed in the subject field shall be determined by allocating the allowable production, after deductions have been made for wells which are incapable of producing their gas allowables, among the individual wells in the following manner:

FIVE percent (5%) of the field's total allowable shall be allocated equally among all the individual prorable wells producing from the field.

NINETY-FIVE percent (95%) of the field's total allowable shall be allocated among the individual wells in the proportion that the deliverability of such well, as evidenced by the most recent G-10 test filed with the Railroad Commission bears to the summation of the deliverability of all prorable wells producing from the field.

It is further ordered that the allocation formula for the field shall remain suspended. The allocation formula may be reinstated administratively, in accordance with the Commission's rules, if the market demand for gas in the Noonday (Travis Peak) Field drops below 100% of deliverability.

Done this 8th day of April, 2008.

**RAILROAD COMMISSION OF TEXAS
(Order approved and signatures
affixed by OGC Unprotected Master
Order dated April 8, 2008)**