

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 08-0294992**

**IN THE TWO GEORGES (BONE
SPRING) FIELD, LOVING AND WARD
COUNTIES, TEXAS**

**FINAL ORDER
APPROVING INCREASED NET GAS-OIL RATIO AUTHORITY
AND CANCELLATION OF OVERPRODUCTION
FOR THE HOGNOSE 1-67 UNIT, SIDEWINDER STATE UNIT 1-68, UNIVERSITY 31-18
LEASE, YELLOW JACKET STATE UNIT 1-70, AND THE GRAYLING 1-69 LEASE,
TWO GEORGES (BONE SPRING) FIELD,
LOVING AND WARD COUNTIES, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on May 5, 2015, the presiding Examiners have 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 Examiners' 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 Energen Resources Corporation is hereby granted authority to produce the Hognose 1-67 Unit (44756), the Sidewinder State Unit 1-68 (44252), the University 31-18 Lease (44971), the Yellow Jacket State Unit 1-70 (45247), and the Grayling 1-69 Lease (43242) in the Two Georges (Bone Spring) Field, Loving and Ward Counties, Texas, under an increased net gas-oil ratio authority of 25,000 standard cubic feet of casinghead gas to one barrel of oil, or 25,000:1.

It is further **ORDERED** that the oil allowable for wells in the subject leases and units shall not be penalized unless the above permitted net gas-oil ratio authority of 25,000:1 is exceeded.

It is further **ORDERED** that all accumulated overproduction for the subject leases and units is hereby cancelled.

Done this 15th day of September, 2015.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Divisions' Unprotested Master Order
dated September 15, 2015)**