RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 02-0258106 IN THE PAISANO CREEK (HOCKLEY) FIELD, LIVE OAK COUNTY, TEXAS

FINAL ORDER APPROVING THE MOST EFFICIENT RATE OF PRODUCTION AND INCREASED NET GAS-OIL RATIO AUTHORITY FOR THE MCNEILL NORTHEAST LEASE, WELL NO. 1C PAISANO CREEK (HOCKLEY) FIELD LIVE OAK COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on August 6, 2008, 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 most efficient rate of production at the current time for the McNeill Northeast Lease, Well No. 1C (API No. 42-297-34732), in the Paisano Creek (Hockley) Field, Live Oak County, Texas, is established at 75 BOPD. In addition, Double Play Oil & Gas, Inc. is granted permission to produce the McNeill Northeast Lease, Well No. 1C (API No. 42-297-34732), in the Paisano Creek (Hockley) Field, Live Oak County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 275 MCFGPD.

It is further ordered that all overproduction for this well in the Paisano Creek (Hockley) Field is canceled.

Done this 25th day of August, 2008.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated August 25, 2008)