RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 03-0261526 IN THE RACCOON BEND (UWX CONS. FBA) FIELD, AUSTIN COUNTY, TEXAS

FINAL ORDER ESTABLISHING THE MOST EFFICIENT RATE OF PRODUCTION FOR THE BELLVILLE ISD WELL NO. 1 RACCOON BEND (UWX CONS. FBA) FIELD AUSTIN COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on May 28, 2009, 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 Sandalwood Exploration, L.P. - Bellville, ISD Lease (25310) Well No. 1 in the Raccoon Bend (UWX Cons. FBA) Field, Austin County, Texas is established at 500 BOPD. It is further ordered that all overproduction for the subject lease is hereby canceled.

Done this 30th day of June, 2009.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated June 30, 2009)