

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

**OIL AND GAS DOCKET
NO. 7C-0252993**

**IN THE SPRABERRY (TREND AREA)
FIELD, UPTON COUNTY, TEXAS**

**FINAL ORDER
ESTABLISHING THE MOST EFFICIENT RATE OF PRODUCTION
FOR THE MCELROY RANCH LEASE WELL NO. 3
SPRABERRY (TREND AREA) FIELD
UPTON COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on October 26, 2007, 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 Southwest Royalties, Inc. - McElroy Ranch Lease (15970) Well No. 3 in the Spraberry (Trend Area) Field is 700 BOPD. It is further ordered that all overproduction for the subject lease in the Spraberry (Trend Area) Field is hereby canceled.

Done this 20th day of November, 2007.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by OGC Unprotested Master Order
dated November 20, 2007)**