

**RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
OIL & GAS SECTION**

**OIL AND GAS DOCKET
NO. 08-0226034**

**IN THE BLALOCK LAKE, E.
(WOLFCAMP) FIELD, GLASSCOCK
COUNTY, TEXAS**

**APPROVING THE APPLICATION OF COASTAL OIL & GAS CORP.
FOR INCREASED GAS-OIL RATIO AND AN MER FOR THE
GLENN W. HILGER "A" LEASE WELL NO. 2
BLALOCK LAKE, E. (WOLFCAMP) FIELD, GLASSCOCK COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on October 17, 2000, 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 Coastal Oil & Gas Corp. is hereby granted permission to produce the Glenn W. Hilger Well No. 2, Blalock Lake, E. (Wolfcamp) Field, Glasscock County, Texas, under increased gas-oil ratio authority which results in a casinghead gas limit of 1,200 MCF of gas per day. It is further ordered the subject well is granted an MER allowable of 225 barrels of oil per day. Further, it is effective the date of this order that all casinghead gas over production for the Coastal Oil & Gas Corp., Glenn W. Hilger Lease Well No. 2 is hereby canceled.

Effective this _____ day of _____, 2000.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN MICHAEL L. WILLIAMS

COMMISSIONER CHARLES R. MATTHEWS

COMMISSIONER TONY GARZA

ATTEST:

Secretary