

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

**OIL AND GAS DOCKET
NO. 01-0248675**

**IN THE PEARSALL (AUSTIN CHALK)
FIELD, DIMMIT COUNTY, TEXAS**

**FINAL ORDER
ESTABLISHING THE MOST EFFICIENT RATE OF PRODUCTION
FOR THE CANNAN NO. 1 WELL
PEARSALL (AUSTIN CHALK) FIELD
DIMMIT COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on March 1, 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 Patterson Petroleum, LP - Cannan No. 1 (14695) in the Pearsall (Austin Chalk) Field is 850 BOPD. It is further ordered that all overproduction for the subject lease in the Pearsall (Austin Chalk) Field is hereby canceled.

Done this 29th day of March, 2007.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by OGC Unprotected Master Order
dated March 29, 2007)**