

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

**OIL AND GAS DOCKET
NO. 08-0255681**

**IN THE HEDGE (CANYON REEF)
FIELD, HOWARD COUNTY, TEXAS**

**FINAL ORDER
APPROVING A NET GAS-OIL RATIO AUTHORITY
FOR THE RUWCO OIL AND GAS CORP.
GREEN-EYED LEASE WELL NO. 1
HEDGE (CANYON REEF) FIELD
HOWARD COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on March 26, 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 Ruwco Oil and Gas Corp. is hereby granted permission to produce the Green-Eyed Lease, Well No. 1, Hedge (Canyon Reef) Field, Howard County, Texas, under increased net gas-oil ratio authority with a casinghead gas limit of 550 MCFPD. It is further ordered the subject well's oil allowable shall not be penalized unless the above permitted casinghead gas limit is exceeded.

It is further ordered that all accumulated overproduction for this lease is canceled.

Done this 24th day of April, 2008.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by OGC Unprotected Master Order
dated April 24, 2008)**