

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

**OIL AND GAS DOCKET  
NO. 03-0249627**

**IN THE GIDDINGS (AUSTIN CHALK,  
GAS) FIELD, GRIMES COUNTY, TEXAS**

**FINAL ORDER  
APPROVING THE APPLICATION OF TDC ENGINEERING, INC.  
FOR RULE 10 CERTIFICATION FOR THE F.D. CALHOUN LEASE WELLS NO. 1H  
AND 2H IN THE GIDDINGS (AUSTIN CHALK, GAS) FIELD,  
GRIMES COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on November 20, 2006, 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 TDC Engineering, Inc., F.D. Calhoun Lease Wells No. 1H and 2H completed in the Giddings (Austin Chalk, Gas) Field are hereby certified for State Severance Tax Incentive Certification for severance tax relief as high-cost/tight gas formation wells. The wells are located within the designated area and are completed and producing from the formation as designated pursuant to Oil and Gas Docket No. 03-0213448 effective September 24, 1996.

Done this 19th day of December, 2006.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
OGC Unprotested Master Order dated  
December 19, 2006)**