RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL

OIL AND GAS DOCKET NO. 09-0255682

IN THE NEWARK, EAST (BARNETT SHALE) FIELD, PARKER COUNTY, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF HARDING COMPANY
FOR EXCEPTION TO STATEWIDE RULE 86
FOR ITS DRS LEASE WELL NO. 4H
NEWARK, EAST (BARNETT SHALE) FIELD
PARKER COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on March 24, 2008, the presiding examiners have 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 examiners’ 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 Harding Company is hereby granted exception to Statewide Rule 86(d)(4) for its DRS lease Well No. 4H, API No. 42-367-34226, in the Newark, East (Barnett Shale) Field, Parker County, Texas. This exception allows the penetration point for the subject well to be off-lease. The distance between perforations in the wellbore shall be used in the calculation of additional acreage assignment to the well, if applicable. The well shall be assigned an allowable, assuming all other required completion papers have been properly filed.

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

Done this 8th day of April, 2008.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated April 8, 2008)