

RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION

OIL AND GAS DOCKET NO. 03-0241876

COMMISSION CALLED HEARING TO SUPERCEDE THE FINAL ORDER ISSUED DECEMBER 10, 2003 IN DOCKET NO. 03-0229544 REQUIRING PLUGGING OF WELL NO. 2C ON THE OLIVER (11316) GERSTNER LEASE, OLIVER (FRIO 8640) FIELD, WELL NO. 2T ON THE OLIVER GERSTNER LEASE, (RRC GAS ID NO. 049527), OLIVER (FRIO 8750, E.) FIELD, AND WELL NO. 3 ON THE KLOSS, ED. L. LEASE (RRC GAS ID NO. 049931), OLIVER (FRIO 8640) FIELD, BRAZORIA COUNTY, AND TO ENABLE CORNERSTONE ENERGY, INC., TO BECOME THE OPERATOR OF RECORD FOR THE ABOVE-REFERENCED LEASES AND WELLS.

FINAL ORDER

The Commission finds that after statutory notice the above-captioned proceeding was heard by the examiners on April 1, 2005 who circulated a Proposal for Decision containing Findings of Fact and Conclusions of Law. Having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, those Findings of Fact and Conclusions of Law are hereby adopted and made a part hereof by reference.

Accordingly, it is **ORDERED** that the provision in the Final Order issued December 10, 2003 in Docket No. 03-0229544 requiring MP Energy, Inc. to plug Well No. 2C on the Oliver (11316) Gerstner Lease, Oliver (Frio 8640) Field, Well No. 2T on the Oliver Gerstner Lease, (RRC Gas ID No. 049527), Oliver (Frio 8750, E.) Field, and Well No. 3 on the Kloss, Ed. L. Lease (RRC Gas ID No. 049931), Oliver (Frio 8640) Field, Brazoria County is hereby **SUPERCEDED** and of no further force and effect. All other provisions of the Final Order in Oil & Gas Docket No. 03-0229544 shall remain in full force and effect.

It is further **ORDERED** that Cornerstone Energy, Inc. is designated as the operator of record for Well No. 2C on the Oliver (11316) Gerstner Lease, Oliver (Frio 8640) Field, Well No. 2T on the Oliver Gerstner Lease, (RRC Gas ID No. 049527), Oliver (Frio 8750, E.) Field, and Well No. 3 on the Kloss, Ed. L. Lease (RRC Gas ID No. 049931), Oliver (Frio 8640) Field, Brazoria County.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order 3 days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest within such 20-day period after the party's presumed notice, this order shall not become final until such motion is overruled, or if rehearing is granted, this order shall be subject to further action by the Commission. Pursuant to TEX. GOV'T CODE § 2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law, is hereby extended until 90 days from the date the parties are notified of the order.

Each exception to the examiner's proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

Noncompliance with the provisions of this order is subject to enforcement by the Attorney General and subject to civil penalties of up to \$10,000.00 per day per violation.

Done this 10th day of May 2005, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by OGC Unprotected Master Order dated
May 10, 2005)**