RAILROAD COMMISSION OF TEXAS OFFICE OF GENERAL COUNSEL HEARINGS SECTION

OIL & GAS DOCKET No. 03-0243905

ENFORCEMENT ACTION AGAINST NUECES PETROLEUM CORPORATION (OPERATOR NO. 616055)

for Violations of Statewide Rules on The J. E. Ferguson Fee (06044) Lease, Well No. 3, Humble Field, Harris County, Texas

ORDER GRANTING MOTION FOR REHEARING

The Commission has considered on its merits the Motion for Rehearing filed by the Enforcement Section of the Office of General Counsel on September 20, 2006, and the Motion is hereby **GRANTED** for the limited purpose of making an additional finding of fact and modifying paragraph 1 of the ordering paragraph of the Final Order signed on September 12, 2006.

Additional Finding of Fact

16. Subsequent to the close of the hearing in this docket, a Form P-4 (Certificate of Compliance and Transportation Authority) was filed with the Commission requesting a change of operator of the J. E. Ferguson Fee (06044) Lease, Well No. 3, Humble Field, Harris County, Texas, from Nueces Petroleum Corporation to Chevron U.S.A., Inc.

It is accordingly **ORDERED** that:

- 1. Within 30 days of the date on which this order becomes administratively final, Nueces Petroleum Corporation shall plug or otherwise place into compliance with Commission rules, the J. E. Ferguson Fee (06044) Lease, Well No. 3, Humble Field, Harris County, Texas; and
- 2. Nueces Petroleum Corporation is assessed an administrative penalty in the amount of **TWO THOUSAND TWO HUNDRED AND FIFTY DOLLARS** (\$2,250.00).

It is further **ORDERED** that except to the extent modified above, the Final Order signed on September 12, 2006, is affirmed and, except to the extent granted above, the motion for rehearing is **DENIED**.

Done this 10th day of October, 2006, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by OGC Unprotested Master Order dated October 10, 2006)