

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0279719

IN RE: P-5 ORGANIZATION REPORT OF AMPAK OIL COMPANY

FINAL ORDER

The Commission finds that after notice and an opportunity for hearing regarding the captioned matter, the Operator failed to request a hearing and pay the hearing fee as required by 16 TEX. ADMIN. CODE §3.15(g)(4) and TEX. NAT. RES. CODE §89.022(f). This matter having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, the Commission makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. Ampak Oil Company [Operator #020463] (the "Operator"), is the record operator or one or more inactive wells in the State of Texas and is required to file Organization Report (Form P-5) with the Commission. Operator's most recent P-5 was due on or before August 1, 2012.
2. After filing its most recent Organization Report (Form P-5) with the Commission, the Operator was notified they were deficient and had failed to comply with the requirements of 16 TEX. ADMIN. CODE § 3.15 (Surface Equipment Removal Requirements and Inactive Wells) and provided with a written statement of the reasons for the determination and allowed ninety (90) days from the date its P-5 was due to comply with the requirements of 16 TEX. ADMIN. CODE § 3.15 and TEX. NAT. RES. CODE §§89.021 - 89.030.
3. After the expiration of ninety (90) days and pursuant to 16 TEX. ADMIN. CODE §3.15(g)(4), an authorized Commission employee determined that the Operator's Organization Report still could not be renewed because the Operator continued to fail to comply with the requirements of 16 TEX. ADMIN. CODE §3.15 (Surface Equipment Removal Requirements and Inactive Wells).
4. The Commission sent the Operator a letter notifying the Operator of the determination of continued non-compliance, that the Operator had a right to request a hearing, and that the hearing request and non-refundable hearing fee had to be received by the Commission no later than 30 days after the date of the letter. The letter included a list, attached as Exhibit A to this order, of the wells that remained out of compliance with Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15).
5. All notices and letters from the Commission to the Operator on this matter were addressed and mailed to the Operator's most recently reported address on the Form P-5 Organization Report.

6. The Operator did not timely request a hearing and pay the hearing fee on these issues as required under 16 TEX. ADMIN. CODE §3.15(g)(4) (Surface Equipment Removal Requirements and Inactive Wells).

7. Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15) is a Commission rule that relates to safety or the prevention or control of pollution.

CONCLUSIONS OF LAW

1. The Operator received proper notice and an opportunity for hearing regarding compliance with 16 Tex. Admin. Code §3.15 and Tex. Nat. Res. Code §§89.021 - 89.030.

2. All things necessary to the Commission attaining jurisdiction over the subject matter and the parties in this matter have been performed or have occurred.

3. The Operator is in violation of Commission Statewide Rule 15 and did not timely request a hearing to contest the determination that it was in violation.

4. Denial of renewal of the Operator's P-5 Organization Report is authorized and required by 16 Tex. Admin. Code §3.15(g)(4) and Tex. Nat. Res. Code §§89.022(f).

5. The Operator's P-5 Organization Report cannot be renewed until the operator brings the inactive wells shown on the attached Exhibit A into compliance with the requirements of 16 Tex. Admin. Code §3.15 and Tex. Nat. Res. Code §§89.021 - 89.030.

IT IS ORDERED that renewal of Ampak Oil Company's P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that Ampak Oil Company shall bring the wells on Exhibit A into compliance with Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15) and that the Operator's P-5 Organization Report shall not be renewed until the wells on Exhibit A have been brought into compliance as required by this order.

It is further ORDERED that Ampak Oil Company and each person who held a position of ownership or control in the Operator at the time the Operator's most-recent P-5 Organization Report was filed shall be subject to the terms of TEX. NAT. RES. CODE §91.114.

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 three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion 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.

All requested Findings of Fact and Conclusions of Law which are not expressly adopted herein are **DENIED**. All pending motions and request for relief not previously granted or granted herein are **DENIED**.

RAILROAD COMMISSION OF TEXAS

(Signatures affixed by Rule 15 Inactive Well
Master Order dated January 29, 2013.)

API Number	District	ID Number	Lease Name	Well Number
123 30009	02	168715	PLACKE, E. E.	1
No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval				
123 31606	02	132581	WERLAND	1
No approved W-3X on file				
127 32855	01	12473	WILSON, JAMES A.	1A
No approved W-3X on file				
127 32994	01	13043	BERMUDA	1
No approved W-3X on file				
127 33033	01	13330	RALPH	1
No approved W-3X on file				
163 32031	01	07687	MENDOZA, LUCIANO	1
No approved W-3X on file				
175 33451	02	193749	MARTIN, MARY	1
No approved W-3X on file				
175 33753	02	219622	WINGO	1
No approved W-3X on file				
197 30383	09	21155	PECHACEK	1
No approved W-3X on file				
197 31266	09	31475	GREENE 165	1H
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
197 31570	09	30496	WHITFIELD-BARNETT UNIT	1
No approved W-3X on file				
197 31631	09	22193	BOYLES	7
No approved W-3X on file				
297 32008	02	09518	GARZA	1
No approved W-3X on file				
297 34643	02	09175	HERRING RANCH	6
Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
353 32656	7B	28739	BRIDGFORD	1074
No approved W-3X on file				
353 32704	7B	28798	BRIDGFORD	2
No approved W-3X on file				
427 31865	04	11173	FLORES, O.	1
No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
469 30339	02	126475	SCHMELTZER-JOHNS UNIT Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	2
469 33404	02	08538	SCHMELTZER-JOHNS UNIT A Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	1
469 33452	02	181884	SCHMELTZER No approved W-3X on file	1
469 33550	02	08603	MIZE No approved W-3X on file	2
469 33737	02	08814	SCHMELTZER-JOHN UNIT "A" No approved W-3X on file	2
469 33737	02	202557	SCHMELTZER-JOHN UNIT "A" No approved W-3X on file	2
469 34053	02	240555	MICHAEL Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	2
487 31076	09	31368	ENGLISH Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	1
493 32302	01	13748	TALLEY No approved W-3X on file Must resolve lack of Good Faith Claim issue preventing 14(B)(2) approval	1H
493 32400	01	13935	CARROLL, JOHN TRUSTEE No approved W-3X on file	1
493 32402	01	13941	KAYSER, R. F. No approved W-3X on file	1
493 32403	01	13946	LENNON, J. J. No approved W-3X on file	1
493 32420	01	14053	HARDING UNIT Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval	1