## RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 20-0282641

IN RE: P-5 ORGANIZATION REPORT OF RENEAU, JAMES SEED CO.

### 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. Reneau, James Seed Co. [Operator #701747] (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 January 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 by certified mail giving notice to the Operator of the determination of continued non-compliance regarding specified inactive wells, attached as Exhibit A to this order, and advising the Operator of the right to request a hearing to show compliance. The letter notified the Operator that the hearing request must be received in docket services no later than 30 days after the date of the letter. The letter also notified the Operator that a final order denying renewal of the Operator's Organization Report (Form P-5) would result in the cancellation of all P-4 Certificates of Compliance and the severance of all pipeline or other carrier connections.

- 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. The Operator's P-5 Organization Report should not be renewed and all of the Operator's P-4 Certificates of Compliance should be cancelled, with all related pipeline or other carrier connections severed. 16 Tex. Admin. Code §3.15 (g)(4) and Tex. Nat. Res. Code §§89.022(f), 91.704 91.706.
- 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 §889.021 89.030.

**IT IS ORDERED** that renewal of Reneau, James Seed Co.'s P-5 Organization Report is hereby **DENIED.** 

It is further ORDERED that all P-4 Certificates of Compliance issued to Reneau, James Seed Co. as operator of record are hereby CANCELLED and all related pipeline or other carrier connections are hereby SEVERED.

It is further ORDERED that Reneau, James Seed Co. 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 Reneau, James Seed Co. 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 June 13, 2013.)

| API | Number Distr                                                                     | rict ID                             | Number                        | Lease Name                                    |                     | Well    | Number |
|-----|----------------------------------------------------------------------------------|-------------------------------------|-------------------------------|-----------------------------------------------|---------------------|---------|--------|
| 065 | 01629 10<br>Electricity mu<br>No approved W-                                     | ust be di                           | sconnected                    | SCHAFER, H., (certify on                      | NCT-2<br>Form W-3C) |         | 3      |
| 065 | 20091 10<br>Electricity mu<br>No approved W-                                     | ust be di                           | sconnected                    | SCHAFER, H., (certify on                      |                     |         | 5      |
| 087 | 30136 10<br>No approved W-                                                       |                                     |                               | WISCHKAEMPER,                                 | EDGAR               |         | 1      |
| 087 | 30160 10<br>No approved W-                                                       |                                     |                               | TROXELL, E. F                                 | ·.                  |         | 1      |
| 087 | 30161 10<br>No approved W-                                                       | -                                   |                               | BAKER                                         |                     |         | 1      |
| 087 | 80392 10<br>Production flu<br>No approved W-                                     | uids must                           | 026891<br>be purged<br>le     | POWELL<br>(certify on                         | Form W-3C)          | A       | 1      |
| 087 | 80409 10<br>Production flu<br>No approved W-                                     | uids must                           | be purged                     | FRANKS, H. E. (certify on                     |                     | В       | 2      |
| 087 | 80411 10<br>Production flu<br>No approved W-                                     | ıids must                           | be purged                     | FRANKS, H. E. (certify on                     |                     | В       | 4      |
| 087 | 80426 10<br>No approved W-                                                       |                                     | 027021<br>le                  | MCDONALD                                      |                     |         | 2      |
| 179 | 03500 10<br>Electricity mu<br>Surface equipm<br>No approved W-                   | ust be di<br>ment must              | sconnected be remove          | GETHING, E. E<br>(certify on<br>d (certify on | Form W-3C)          |         | 3W     |
| 179 | 80545 10<br>Electricity mu<br>Production flu<br>No approved W-<br>Must resolve F | ust be di<br>uids must<br>-3X on fi | sconnected<br>be purged<br>le | (certify on                                   | Form W-3C)          | approva | 17     |
| 233 | 81744 10<br>Electricity mu<br>Surface equipm<br>No approved W-<br>Must resolve F | ust be di<br>ment must<br>-3X on fi | sconnected<br>be remove<br>le | d (certify on                                 | Form W-3C)          | approva | 1      |
| 233 | 81745 10<br>Electricity mu<br>Surface equipm<br>No approved W-                   | ust be di<br>ment must              | sconnected be remove          |                                               | Form W-3C)          |         | 2      |
| 233 | 81746 10<br>Electricity mu<br>Surface equipm<br>No approved W-                   | ust be di<br>ment must              | sconnected be remove          | HEDGECOKE-WHI<br>(certify on<br>d (certify on | Form W-3C)          |         | 3      |

Docket No. 20-0282641

# Exhibit A

| API | Number                             | District                                        | ID Number                              | Lease Name                                                                                                      | Well Number |
|-----|------------------------------------|-------------------------------------------------|----------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------|
| 233 | Surrace 6                          | 10<br>ity must be<br>equipment m<br>ved W-3X on | ust be remov                           | HEDGECOKE-WHITTENBURG -A<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                               | - 4         |
| 233 | No approv                          | equipment m<br>red W-3X on                      | disconnecte<br>ust be remov<br>file    | HEDGECOKE-WHITTENBURG -A<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)<br>-15 delinquency preventing | -<br>-      |
| 233 | 81749<br>Electrici<br>Surface e    | 10<br>ty must be                                | 00899<br>disconnected<br>ast be remove | HEDGECOKE-WHITTENBURG -A<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                               |             |
| 233 | No approv                          | ed W-3X on                                      | disconnected<br>st be remove<br>file   | HEDGECOKE-WHITTENBURG -Add (certify on Form W-3C) ed (certify on Form W-3C)                                     |             |
| 233 | 81751<br>Electrici<br>Surface e    | 10<br>ty must be                                | 00899<br>disconnected<br>ast be remove | HEDGECOKE-WHITTENBURG -A-<br>i (certify on Form W-3C)<br>ed (certify on Form W-3C)                              |             |
| 233 | surrace e                          | 10<br>ty must be<br>quipment mu<br>ed W-3X on   | disconnected<br>st be remove           | HEDGECOKE-WHITTENBURG -A-<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                              | 9           |
| 233 | surrace e                          | 10<br>ty must be<br>quipment mu<br>ed W-3X on   | disconnected<br>st be remove           | HEDGECOKE-WHITTENBURG -A-<br>l (certify on Form W-3C)<br>ed (certify on Form W-3C)                              | 10          |
| 233 | No approv                          | quipment mu<br>ed W-3X on                       | disconnected<br>st be remove<br>file   | HEDGECOKE-WHITTENBURG -A-<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                              |             |
| 357 | 00212<br>Electrici                 | 10                                              | 02073<br>disconnected                  | CONNER, L. R.<br>I (certify on Form W-3C)                                                                       | 1           |
| 357 | 00410<br>Electricion<br>No approve | 10<br>ty must be<br>ed W-3X on                  | disconnected                           | CONNER, C. D.<br>(certify on Form W-3C)                                                                         | 6           |
| 357 | 20138<br>Electricit<br>No approve  | 10<br>ty must be<br>ed W-3X on                  | disconnected                           | PATTON, T. O. (certify on Form W-3C)                                                                            | 1           |

| API | Number D                                           | istrict                      | ID Number                            | Lease Name                                                                                                      | Well Number |
|-----|----------------------------------------------------|------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------|-------------|
| 357 | 80588<br>Electricit<br>Surface eq<br>No approve    | uipment mu                   | disconnecte<br>st be remov           | CONNER, C. D.<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                                          | 3           |
| 357 | 80590<br>Electricit<br>No approve                  | 10<br>y must be<br>d W-3X on | disconnecte                          | CONNER, C. D.<br>d (certify on Form W-3C)                                                                       | 5           |
| 357 | 80733<br>Electricit<br>Production<br>No approve    | fluids mu                    | disconnecte<br>st be purge           | CONNER, L. R.<br>d (certify on Form W-3C)<br>d (certify on Form W-3C)                                           | 2           |
| 357 | 80734<br>Electricit<br>No approve                  | 10<br>y must be<br>d W-3X on | disconnected                         | CONNER, L. R.<br>d (certify on Form W-3C)                                                                       | 3           |
| 483 | 01754<br>Electricity<br>Surface equ<br>No approved | uipment mu                   | disconnected<br>st be remove         | NORTHROP, JOSEPH W., ETAL<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                              | 1W          |
| 483 | 02800<br>Electricity<br>Surface equ<br>No approved | ulpment mu                   | st be remove                         | BELL, G.<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                                               | 3           |
| 483 | 30489<br>No approved                               |                              | 080303<br>file                       | RENEAU                                                                                                          | 1           |
| 483 | 30522<br>No approved                               | 10<br>d W-3X on              | 113209<br>file                       | ROACH                                                                                                           | 3           |
|     | No approved                                        | ilpment mu<br>i W-3X on      | disconnected<br>st be remove<br>file | SCHNEIDER, J. C.<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)<br>-15 delinquency preventing 14B2 ap | 1           |
| 483 |                                                    | 10                           | 092337                               | ELIZABETH                                                                                                       | 1002        |
|     | 30797<br>Electricity<br>Surface equ<br>No approved | upment mu                    | disconnected<br>st be remove         | SIMPSON<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                                                | 1           |
|     | 30807<br>Production<br>No approved                 | 10<br>fluids mus<br>W-3X on  | st be purged                         | HOLMES<br>i (certify on Form W-3C)                                                                              | 1           |
|     | 30820<br>No approved                               | 10<br>l W-3X on :            | 094094<br>file                       | CARPENTER                                                                                                       | 9501 A      |

| API | Number Di                                           | strict                 | ID Number                    | Lease Name                                                            | Well Number |
|-----|-----------------------------------------------------|------------------------|------------------------------|-----------------------------------------------------------------------|-------------|
| 483 | Electricity                                         | r must be<br>fluids mu | disconnecte<br>st be purge   | RENEAU #2-2<br>d (certify on Form W-3C)<br>d (certify on Form W-3C)   | 202         |
| 483 | 80088<br>No approved                                | 10<br>W-3X on          | 026379<br>file               | PERRY, E.                                                             | 1           |
| 483 | 80112<br>Electricity<br>No approved                 | must be                | disconnected                 | MARTIN, W. C.<br>d (certify on Form W-3C)                             | 1           |
| 483 | 80118<br>No approved                                | 10<br>W-3X on          | 026421<br>file               | PURCELL, J. D.                                                        | 1           |
| 483 | 80136<br>No approved                                | 10<br>W-3X on          | 026466<br>file               | DOUGHERTY                                                             | 1           |
| 483 | 80143<br>No approved                                | 10<br>W-3X on          | 026542<br>file               | HOLMES, W. H.                                                         | 1           |
| 483 | 80145<br>Electricity<br>No approved                 | must be                | disconnected                 | NELSON, A. L.<br>d (certify on Form W-3C)                             | 3           |
| 483 | 80146<br>No approved                                | 10<br>W-3X on          | 026548<br>file               | NELSON, A. L.                                                         | 5           |
| 483 | 80147<br>No approved                                | 10<br>W-3X on :        | 026549<br>file               | PUGH -R-                                                              | 1           |
| 483 | 80148<br>No approved                                |                        | 026550<br>file               | SMITH, C.                                                             | 1           |
| 483 | 80149<br>No approved                                | 10<br>W-3X on i        | 026551<br>file               | SMOCK, H. W.                                                          | 1           |
|     | Frectricity                                         | must be d<br>luids mus | disconnected<br>st be purged | VERMILLION, W. H.<br>(certify on Form W-3C)<br>(certify on Form W-3C) | 1           |
|     | 80221<br>No approved                                | 10<br>W-3X on f        | 026815<br>Tile               | ACKLEY, M. E.                                                         | 4           |
|     | Electricity                                         | pment mus              | lisconnected<br>t be removed | GROGAN, JOHN W.<br>(certify on Form W-3C)<br>d (certify on Form W-3C) | 2           |
|     | 80235<br>Electricity<br>Surface equi<br>No approved | bweur was              | lisconnected<br>t be removed | GROGAN, JOHN W.<br>(certify on Form W-3C)<br>d (certify on Form W-3C) | 3           |

| API | Number D                                            | istrict                         | ID Number                    | Lease Name                                                              | Well n      | Number |
|-----|-----------------------------------------------------|---------------------------------|------------------------------|-------------------------------------------------------------------------|-------------|--------|
| 483 | 80236<br>Electricity<br>Production<br>No approved   | tluids mu                       | disconnected st be purged    | GROGAN, J. W.<br>d (certify on Form W-3C)<br>d (certify on Form W-3C)   | В           | 1      |
| 483 | 80242<br>Electricity<br>Surface equ<br>No approved  | uipment mu                      | disconnected st be remove    | LAYCOCK, A. J.<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C) |             | 2      |
| 483 | 80246<br>Electricity<br>Surface equ<br>No approved  | ulpment mu                      | disconnected<br>st be remove | MACINA, PAUL<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)   |             | 1      |
| 483 | 80248<br>No approved                                | 10<br>d W-3X on                 | 0268 <b>4</b> 7<br>file      | PAKAN, SAM                                                              |             | 1      |
| 483 | 80253<br>No approved                                | 10<br>1 W-3X on                 | 026853<br>file               | TROSTLE, T. E.                                                          |             | 2      |
| 483 | 80255<br>Surface equ<br>No approved                 | 10<br>ipment mus<br>l W-3X on s | st be remove                 | WILLIAMS & LAYCOCK<br>ed (certify on Form W-3C)                         |             | 1      |
| 483 | 80256<br>Electricity<br>No approved                 | 10<br>must be of W-3X on i      | disconnected                 | WILLIAMS & LAYCOCK<br>(certify on Form W-3C)                            |             | 2      |
| 483 | 80272<br>Electricity<br>Surface equ<br>No approved  | ipment mus                      | disconnected<br>st be remove | LILLIAN & LUCILLE<br>(certify on Form W-3C)<br>d (certify on Form W-3C) | :           | 1      |
| 483 | 80275<br>No approved                                | 10<br>W-3X on f                 |                              | CLOSE                                                                   | :           | 2      |
| 483 | 80289<br>Surface equ<br>No approved                 | 10<br>ipment mus<br>W-3X on f   | st be remove                 | CLOSE, IVEY<br>d (certify on Form W-3C)                                 | 1!          | 5      |
|     | 80290<br>Surface equ<br>No approved                 | 10<br>ipment mus<br>W-3X on f   | t be remove                  | CLOSE, IVEY<br>d (certify on Form W-3C)                                 | 15          | 7      |
|     | 80291<br>Surface equ<br>No approved                 | 10<br>ipment mus<br>W-3X on f   | t be remove                  | CLOSE, IVEY<br>d (certify on Form W-3C)                                 | 18          | 3      |
|     | 80295<br>Electricity<br>Surface equ:<br>No approved | ipment mus                      | isconnected t be removed     | GROGAN<br>(certify on Form W-3C)<br>d (certify on Form W-3C)            | В 1         | -      |
|     | 80397<br>No approved<br>Must resolve                | 10<br>W-3X on f<br>e Field Op   | ile                          | VALENCIK<br>15 delinquency preventing 14B2 app                          | 1<br>proval |        |

| API | Number D                                           | istrict                      | ID Number                      | Lease Name                                                                         | Well | Num | nber |
|-----|----------------------------------------------------|------------------------------|--------------------------------|------------------------------------------------------------------------------------|------|-----|------|
| 483 | 80471<br>No approved                               | 10<br>d W-3X on              | 039274<br>file                 | MACINA, P. T.                                                                      |      | 1   |      |
| 483 | 80474<br>Electricity<br>No approved                | 10<br>y must be<br>i W-3X on | 039409<br>disconnecte<br>file  | LANKFORD<br>d (certify on Form W-3C)                                               |      | 1   |      |
| 483 | 80476<br>Electricity<br>No approved                | 10<br>must be<br>d W-3X on   | 039530<br>disconnected<br>file | BRADLEY, ELLA, -B-<br>d (certify on Form W-3C)                                     |      | 2   |      |
| 483 | 80478<br>No approved                               | 10<br>1 W-3X on              | 039826<br>file                 | ATKINS                                                                             |      | 2   | A    |
| 483 | 80554<br>Electricity<br>Surface equ<br>No approved | rrbment mu                   | st de remova                   | MANKINS<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C)                   |      | 2   |      |
| 483 | 80691<br>Electricity<br>Surface equ<br>No approved | rbment mu                    | disconnected<br>st be remove   | NORTHROP, JOSEPH W., ETAL<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C) |      | 2   |      |
| 483 | 80692<br>Electricity<br>Surface equ<br>No approved | Thuent un                    | disconnected<br>st be remove   | NORTHROP, JOSEPH W., ETAL<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C) |      | 3   |      |
| 483 | 80693<br>Electricity<br>Surface equ<br>No approved | Thurst min                   | disconnected<br>st be remove   | NORTHROP, JOSEPH W., ETAL<br>d (certify on Form W-3C)<br>ed (certify on Form W-3C) |      | 4   |      |
| 483 | 80966<br>Electricity<br>Surface equ<br>No approved | Thment mas                   | disconnected                   | BELL, G.<br>l (certify on Form W-3C)<br>ed (certify on Form W-3C)                  |      | 1   |      |
|     | 80967<br>Electricity<br>Surface equ<br>No approved | rbment mus                   | st be remove                   | BELL, G.<br>(certify on Form W-3C)<br>d (certify on Form W-3C)                     |      | 2   |      |
|     | 81187<br>No approved                               | 10<br>W-3X on f              | 02977<br>Tile                  | HAMMER                                                                             |      | 2   |      |

INSUFFICIENT PROGRESS ON 10-YEAR INACTIVE WELLS: For wells shut-in at least 10 years as of September 1, 2010, operators were given five years to address the surface equipment removal requirements. For your Organization Report renewal on JANUARY 1, 2013 , Rule 15(i) requires that you be at least 40% complete with this process. Current W-3C records indicate that you have not met this requirement (0% of your phase-in wells show that you have completed the surface cleanup). Your Organization Report renewal cannot be approved until you have met this requirement and have filed the appropriate Commission forms to update our records.