

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0294181

IN RE: P-5 ORGANIZATION REPORT OF LINC GULF COAST PETROLEUM, INC.

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. Linc Gulf Coast Petroleum, Inc. [Operator #500796] (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 July 1, 2014.
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 §§89.021 - 89.030.

IT IS ORDERED that renewal of Linc Gulf Coast Petroleum, Inc.'s P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that all P-4 Certificates of Compliance issued to Linc Gulf Coast Petroleum, Inc. as operator of record are hereby **CANCELLED** and all related pipeline or other carrier connections are hereby **SEVERED**.

It is further ORDERED that Linc Gulf Coast Petroleum, Inc. 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 Linc Gulf Coast Petroleum, Inc. 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 December 9, 2014.)

| API Number | District | ID Number | Lease Name | Well Number |
|---------------------------------------|----------|-----------|------------------------|-------------|
| 039 04993 No approved W-3X on file | 03 | 25045 | WELCH FOUNDATION | 15 |
| 039 30058 No approved W-3X on file | 03 | 25045 | WELCH FOUNDATION | 44 |
| 039 30258 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 19 |
| 039 30269 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 20 |
| 039 30279 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 21 |
| 039 30298 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 23 |
| 039 30305 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 27 |
| 039 30353 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 26 |
| 039 30354 No approved W-3X on file | 03 | 04479 | HOGG-HAMMAN -C- | 28 |
| 039 30445 No approved W-3X on file | 03 | 25045 | WELCH FOUNDATION | 98 |
| 039 32722 No approved W-3X on file | 03 | 211378 | WELCH FOUNDATION | 5 |
| 039 32789 No approved W-3X on file | 03 | 25045 | WELCH FOUNDATION | 7 |
| 039 32935 No approved W-3X on file | 03 | 25045 | WELCH FOUNDATION | 276 |
| 071 00230 No approved W-3X on file | 03 | 00174 | FISHER, ZADIE | 4 |
| 071 00246 No approved W-3X on file | 03 | 00181 | BARBER, E. W., -D- | 2 |
| 071 00267 No approved W-3X on file | 03 | 00159 | GULF FEE /MONONGAHELA/ | 1 |
| 071 00267 No approved W-3X on file | 03 | 00159 | GULF FEE /MONONGAHELA/ | 1D |
| 071 00289 No approved W-3X on file | 03 | 00190 | FITZGERALD, J. M. | 1A |
| 071 00290 No approved W-3X on file | 03 | 00190 | FITZGERALD, J. M. | 4 |

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Exhibit A

| API Number | District | ID Number | Lease Name | Well Number |
|---------------------------------------|----------|-----------|--------------------------|-------------|
| 071 00292 No approved W-3X on file | 03 | 00190 | FITZGERALD, J. M. | 3 |
| 071 00299 No approved W-3X on file | 03 | 00194 | KIRBY PET. CO. -B- | 10 |
| 071 00442 No approved W-3X on file | 03 | 00144 | WILBURN "D" | B 9 |
| 071 00452 No approved W-3X on file | 03 | 00198 | WILBURN, J.F. "B" | 5A |
| 071 00468 No approved W-3X on file | 03 | 00198 | WILBURN, J.F. "B" | 6 |
| 071 00469 No approved W-3X on file | 03 | 00198 | WILBURN, J.F. "B" | 2 |
| 071 00477 No approved W-3X on file | 03 | 00177 | WILBURN, J. | 16 |
| 071 00479 No approved W-3X on file | 03 | 00178 | WILBURN, Z. T. FEE | 17 |
| 071 00542 No approved W-3X on file | 03 | 00178 | WILBURN, Z. T. FEE | 18 |
| 071 00582 No approved W-3X on file | 03 | 00162 | HIGGINS -B- | 2 |
| 071 00583 No approved W-3X on file | 03 | 00162 | HIGGINS -B- | 1 |
| 071 00586 No approved W-3X on file | 03 | 00175 | HIGGINS | 12 |
| 071 00598 No approved W-3X on file | 03 | 00175 | HIGGINS | 13 |
| 071 00605 No approved W-3X on file | 03 | 00141 | GULF FEE FISHER-23.5 | 5 |
| 071 00630 No approved W-3X on file | 03 | 00173 | CHAMBERS COUNTY | 8 |
| 071 00646 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 35 |
| 071 00655 No approved W-3X on file | 03 | 00173 | CHAMBERS COUNTY | 9 |
| 071 00658 No approved W-3X on file | 03 | 00173 | CHAMBERS COUNTY | 12 |
| 071 00687 No approved W-3X on file | 03 | 00140 | GULF FEE C | 7 |

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Exhibit A

| API Number | District | ID Number | Lease Name | Well Number |
|--|----------|-----------|---------------------------|-------------|
| 071 03250 No approved W-3X on file | 03 | 00175 | HIGGINS | 14 |
| 071 30143 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 38 |
| 071 30169 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 40 |
| 071 30183 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 43 |
| 071 30197 No approved W-3X on file | 03 | 00173 | CHAMBERS COUNTY | 13 |
| 071 30209 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 46 |
| 071 30240 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 48 |
| 071 30508 No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval | 03 | 00140 | GULF FEE C | 12 |
| 071 30927 No approved W-3X on file | 03 | 00170 | CHAMBERS COUNTY AGR. CO. | 49 |
| 071 31025 No approved W-3X on file | 03 | 00190 | FITZGERALD, J. M. | 1 |
| 071 31126 No approved W-3X on file | 03 | 00191 | FITZGERALD, L. E. UNIT #1 | 4 F |
| 071 31581 No approved W-3X on file | 03 | 18449 | WINFREE, E.H. | 2A |
| 071 31583 No approved W-3X on file | 03 | 17918 | WOODWARD, W.Z. | 1 |
| 071 31592 No approved W-3X on file | 03 | 00187 | BARBER, A. E. | 13 |
| 071 31601 No approved W-3X on file | 03 | 00194 | KIRBY PET. CO. -B- | 43 |
| 071 31606 No approved W-3X on file | 03 | 00191 | FITZGERALD, L. E. UNIT #1 | 3D |
| 071 31611 No approved W-3X on file | 03 | 00187 | BARBER, A. E. | 14 |
| 071 31618 No approved W-3X on file | 03 | 00198 | WILBURN, J.F. "B" | 11 |

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| API Number | District | ID Number | Lease Name | Well Number |
|---------------------------------------|----------|-----------|---------------------------|-------------|
| 071 31647 No approved W-3X on file | 03 | 17918 | WOODWARD, W.Z. | 3 |
| 071 31685 No approved W-3X on file | 03 | 18449 | WINFREE, E.H. | 4 |
| 071 31686 No approved W-3X on file | 03 | 18449 | WINFREE, E.H. | 3 |
| 071 31700 No approved W-3X on file | 03 | 00193 | CONOCO UNIT | 17 |
| 071 31717 No approved W-3X on file | 03 | 00193 | CONOCO UNIT | 18 |
| 071 31749 No approved W-3X on file | 03 | 00176 | SMITH | 7 |
| 071 31760 No approved W-3X on file | 03 | 00191 | FITZGERALD, L. E. UNIT #1 | 5F |
| 071 31847 No approved W-3X on file | 03 | 00191 | FITZGERALD, L. E. UNIT #1 | 6F |
| 071 31882 No approved W-3X on file | 03 | 00175 | HIGGINS | 17 |
| 071 31970 No approved W-3X on file | 03 | 21245 | FITZGERALD "A" | 1 |
| 071 31978 No approved W-3X on file | 03 | 21245 | FITZGERALD "A" | 4 |
| 071 31999 No approved W-3X on file | 03 | 21245 | FITZGERALD "A" | 9 |
| 071 32472 No approved W-3X on file | 03 | 00140 | GULF FEE C | 14 |
| 071 80809 No approved W-3X on file | 03 | 00164 | WILBURN, J. -A- | 12 |
| 071 80832 No approved W-3X on file | 03 | 00176 | SMITH | 1 |
| 071 80876 No approved W-3X on file | 03 | 00194 | KIRBY PET. CO. -B- | 22 |
| 071 81356 No approved W-3X on file | 03 | 17918 | WOODWARD, W.Z. | 6 |
| 071 82005 No approved W-3X on file | 03 | 00162 | HIGGINS -B- | 1 S |
| 071 82021 No approved W-3X on file | 03 | 00174 | FISHER, ZADIE | 1A |

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| API Number | District | ID Number | Lease Name | Well Number |
|--|----------|-----------|-------------------------------|-------------|
| 167 00509 No approved W-3X on file | 03 | 02105 | CADE, E. KER -A- R/A -C- | 157 |
| 167 00557 No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval | 03 | 02105 | CADE, E. KER -A- R/A -C- | 205 |
| 167 00794 No approved W-3X on file | 03 | 02117 | SMITH, GEORGE E. -A- R/A -A- | 18 |
| 167 00831 No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval | 03 | 02120 | SMITH, GEORGE E. -B- R/A -C- | 32 |
| 167 00835 No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval | 03 | 06257 | SMITH, GEORGE E., -B- R/A -B- | 36 |
| 167 01993 No approved W-3X on file | 03 | 02112 | LEAGUE, NELLIE B. ETAL | 14 |
| 167 30030 No approved W-3X on file | 03 | 07138 | CADE, E. KER, -A- R/A -G- | 273 |
| 167 30170 No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval | 03 | 02117 | SMITH, GEORGE E. -A- R/A -A- | 34 |
| 167 30746 No approved W-3X on file | 03 | 02103 | CADE, E. KER -A- R/A -A- | 276 |
| 167 30765 No approved W-3X on file | 03 | 02119 | SMITH, GEORGE E. -B- R/A -A- | 52 |
| 167 30777 No approved W-3X on file | 03 | 07138 | CADE, E. KER, -A- R/A -G- | 282 |
| 167 30786 No approved W-3X on file | 03 | 07138 | CADE, E. KER, -A- R/A -G- | 283 |
| 167 30793 No approved W-3X on file | 03 | 02103 | CADE, E. KER -A- R/A -A- | 285 |
| 167 30840 No approved W-3X on file | 03 | 14334 | GULF INTERSTATE FEE "A" | 7 |
| 167 30942 No approved W-3X on file | 03 | 02103 | CADE, E. KER -A- R/A -A- | 290 |
| 167 31220 No approved W-3X on file | 03 | 02105 | CADE, E. KER -A- R/A -C- | 304 |
| 167 31221 No approved W-3X on file | 03 | 02103 | CADE, E. KER -A- R/A -A- | 306 |

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Exhibit A

| API Number | District | ID Number | Lease Name | Well Number |
|--|----------|-----------|------------------------------|-------------|
| 167 31222 No approved W-3X on file | 03 | 02103 | CADE, E. KER -A- R/A -A- | 305 |
| 167 31236 No approved W-3X on file | 03 | 24364 | CADE, E. KER "A" R/A "F" | 310 |
| 167 31378 No approved W-3X on file | 03 | 24401 | CADE HEIRS | 1 |
| 167 31398 No approved W-3X on file | 03 | 24691 | BARKER | 1 |
| 167 31431 No approved W-3X on file | 03 | 24966 | MARRS MCLEAN D | 6 |
| 167 31436 No approved W-3X on file | 03 | 02115 | SMITH, CHARLOTTE E. R/A -A- | 46 |
| 167 31446 No approved W-3X on file | 03 | 25028 | MCLEAN, MARRS D | 7 |
| 167 31447 No approved W-3X on file | 03 | 25116 | MARRS MCLEAN "G" | 4 |
| 167 31457 No approved W-3X on file | 03 | 25404 | LOUSTALOT | A 7 |
| 167 31490 No approved W-3X on file | 03 | 26061 | LOUSTALOT | A 8 |
| 167 80559 No approved W-3X on file | 03 | 02117 | SMITH, GEORGE E. -A- R/A -A- | 33 |
| 201 32073 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file | 03 | 19711 | TABB "A" | 1 |
| 201 32096 No approved W-3X on file | 03 | 19711 | TABB "A" | 2 |
| 201 32111 No approved W-3X on file | 03 | 20064 | HARRELL "C" | 4 |
| 201 32116 No approved W-3X on file | 03 | 20069 | TABB "B" | 5 |
| 201 32248 No approved W-3X on file | 03 | 21318 | TABB, W. "A" | 2C |
| 201 32249 No approved W-3X on file | 03 | 21318 | TABB, W. "A" | 3C |
| 201 32251 No approved W-3X on file | 03 | 21318 | TABB, W. "A" | 1C |

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| API Number | District | ID Number | Lease Name | Well Number |
|--|----------|-----------|-----------------------|-------------|
| 201 32266 No approved W-3X on file | 03 | 21318 | TABB, W. "A" | 5C |
| 201 32284 No approved W-3X on file | 03 | 21318 | TABB, W. "A" | 6C |
| 201 32308 No approved W-3X on file | 03 | 21318 | TABB, W. "A" | 7C |
| 201 32381 No approved W-3X on file | 03 | 20069 | TABB "B" | 7 |
| 291 01011 No approved W-3X on file | 03 | 02334 | HANNAH, D. | 10 |
| 291 01028 No approved W-3X on file | 03 | 02335 | HANNAH, D. FEE | 16 |
| 291 02016 No approved W-3X on file | 03 | 02330 | ARMELIN, L. FEE | 3 |
| 291 02026 No approved W-3X on file | 03 | 02330 | ARMELIN, L. FEE | 13 |
| 291 02027 No approved W-3X on file | 03 | 02330 | ARMELIN, L. FEE | 14 |
| 291 02028 No approved W-3X on file | 03 | 25138 | ARMELIN, L., FEE | 15 |
| 291 02029 No approved W-3X on file | 03 | 02330 | ARMELIN, L. FEE | 16 |
| 291 02031 No approved W-3X on file | 03 | 25138 | ARMELIN, L., FEE | 18 |
| 291 04930 No approved W-3X on file | 03 | 02330 | ARMELIN, L. FEE | 20 |
| 291 30264 No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval | 03 | 058552 | FAILOR E.K. FEE | 5 |
| 361 00362 No approved W-3X on file | 03 | 03412 | KUHN, H. J. -TRACT #2 | 20 |
| 361 00372 No approved W-3X on file | 03 | 03411 | KUHN, H. J. -TRACT #1 | 30 |
| 361 00391 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 4 |
| 361 00393 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 7 |

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| API Number | District | ID Number | Lease Name | Well Number |
|---|----------|-----------|----------------------------|-------------|
| 361 00394 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 8 |
| 361 00395 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 9 |
| 361 00399 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 13 F |
| 361 00399 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 13 H |
| 361 00403 No approved W-3X on file | 03 | 03415 | POLK, J. V. -B- O/A | 5 |
| 361 00410 No approved W-3X on file | 03 | 03415 | POLK, J. V. -B- O/A | 16 |
| 361 00416 No approved W-3X on file | 03 | 03415 | POLK, J. V. -B- O/A | 23 |
| 361 00420 No approved W-3X on file | 03 | 201189 | POLK-KUHN-GLASS | 4 |
| 361 00422 No approved W-3X on file | 03 | 03414 | POLK-KUHN-GLASS | 6 F |
| 361 00422 No approved W-3X on file | 03 | 03414 | POLK-KUHN-GLASS | 6 H |
| 361 00457 No approved W-3X on file | 03 | 03411 | KUHN, H. J. -TRACT #1 | 16 |
| 361 00464 No approved W-3X on file | 03 | 03417 | STARK, W. H. -B- | 9 |
| 361 00466 No approved W-3X on file | 03 | 03417 | STARK, W. H. -B- | 13 |
| 361 00468 No approved W-3X on file | 03 | 22096 | PORT NECHES (MARG. AREA 1) | 14 |
| 361 00708 No approved W-3X on file | 03 | 008017 | STARK, W. H., -B- | 21 |
| 361 01429 No approved W-3X on file | 03 | 08480 | POLK, J. V., -A- NCT-2 | 17 |
| 361 30033 No approved W-3X on file | 03 | 076732 | POLK, J.V. B O/A | 31 |
| 361 30665 No approved W-3X on file Must resolve UIC H-5 Test issue preventing 14(B)(2) approval | 03 | 22096 | PORT NECHES (MARG. AREA 1) | 1 H |

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| API Number | District | ID Number | Lease Name | Well Number |
|---------------------------------------|----------|-----------|-----------------------|-------------|
| 361 30670 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 19 |
| 361 30700 No approved W-3X on file | 03 | 03415 | POLK, J. V. -B- O/A | 40 |
| 361 30702 No approved W-3X on file | 03 | 03415 | POLK, J. V. -B- O/A | 41 |
| 361 30704 No approved W-3X on file | 03 | 03416 | POLK, J. V. -A- NCT-1 | 21 |
| 361 30711 No approved W-3X on file | 03 | 03414 | POLK-KUHN-GLASS | 10 |
| 361 30731 No approved W-3X on file | 03 | 03417 | STARK, W. H. -B- | 44 |
| 361 30740 No approved W-3X on file | 03 | 03415 | POLK, J. V. -B- O/A | 45 |
| 361 30742 No approved W-3X on file | 03 | 03412 | KUHN, H. J. -TRACT #2 | 62 |
| 361 30743 No approved W-3X on file | 03 | 03414 | POLK-KUHN-GLASS | 11 |
| 361 80027 No approved W-3X on file | 03 | 069481 | KUHN, H. J. TR 2 | 19 |
| 361 80145 No approved W-3X on file | 03 | 23091 | STARK, W.H. -B- NCT-2 | 3 |
| 361 80148 No approved W-3X on file | 03 | 03417 | STARK, W. H. -B- | 15 |

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