

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0294188

IN RE: P-5 ORGANIZATION REPORT OF SKYBRIDGE ENERGY LLC

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. Skybridge Energy LLC [Operator #786419] (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 Skybridge Energy LLC's P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that all P-4 Certificates of Compliance issued to Skybridge Energy LLC as operator of record are hereby **CANCELLED** and all related pipeline or other carrier connections are hereby **SEVERED**.

It is further ORDERED that Skybridge Energy LLC 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 Skybridge Energy LLC 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
009 15146 No approved W-3X on file	09	11437	GARVEY -C-	2
009 16002 No approved W-3X on file	09	11437	GARVEY -C-	1
009 84722 No approved W-3X on file	09	11437	GARVEY -C-	3
009 84723 No approved W-3X on file	09	11437	GARVEY -C-	3 R
009 84724 No approved W-3X on file	09	11437	GARVEY -C-	4
009 84725 No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval	09	11437	GARVEY -C-	6R
093 31521 No approved W-3X on file	7B	224208	NEWMAN	1
143 00055 No approved W-3X on file	7B	186682	COLLUM, ANNIE MAE	1
143 30513 No approved W-3X on file	7B	088213	ROBINSON, T. C.	1
143 30588 No approved W-3X on file	7B	088209	BROWN, T. W.	2
143 30631 No approved W-3X on file	7B	124930	RAMSEUR	1
143 30633 No approved W-3X on file	7B	098458	GARY, S. E.	2
143 30664 No approved W-3X on file	7B	090151	SIMMS	1
143 31034 No approved W-3X on file	7B	29277	ROBINSON, T. C.	2
143 31047 No approved W-3X on file	7B	224517	GARY, S.E.	301
237 30116 No approved W-3X on file	09	16215	RUTH	1
237 32561 No approved W-3X on file	09	16215	RUTH	2
237 35904 No approved W-3X on file	09	121740	RUTH	8

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
237 36550	09	121742	RUTH	10
No approved W-3X on file				
237 36689	09	121743	RUTH	11
No approved W-3X on file				
363 32020	7B	079845	BRANNON	1
No approved W-3X on file				
363 32105	7B	083614	BRANNON	2
No approved W-3X on file				
363 32751	7B	097425	WELCH	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 35409	7B	212969	WELCH	2
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 35546	7B	221629	HILL	2
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
485 14461	09	14850	BURNETT	37
No approved W-3X on file				
485 15216	09	14850	BURNETT	B 13
No approved W-3X on file				
485 15218	09	14850	BURNETT	16W
No approved W-3X on file				
485 30624	09	13837	BURNETT -C-	4
No approved W-3X on file				
485 32739	09	14200	BURNETT -D-	8
No approved W-3X on file				
485 32741	09	14200	BURNETT -D-	6
No approved W-3X on file				
485 33240	09	14200	BURNETT -D-	14
No approved W-3X on file				
485 33241	09	14850	BURNETT	34
No approved W-3X on file				
485 33242	09	14850	BURNETT	35
No approved W-3X on file				
485 33740	09	14850	BURNETT	38
No approved W-3X on file				
485 33741	09	14200	BURNETT -D-	18
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
485 34634	09	13837	BURNETT -C-	8
No approved W-3X on file				
485 34635	09	13837	BURNETT -C-	7
No approved W-3X on file				
485 36389	09	13837	BURNETT -C-	9
No approved W-3X on file				
485 37915	09	14850	BURNETT	50
No approved W-3X on file				
485 37916	09	14850	BURNETT	51
No approved W-3X on file				
485 37917	09	14850	BURNETT	49
No approved W-3X on file				
485 90239	09	13837	BURNETT -C-	2
No approved W-3X on file				
485 90240	09	13837	BURNETT -C-	3
No approved W-3X on file				
Must resolve Field Operations H-15 failure preventing 14(B)(2) approval				
485 90405	09	14200	BURNETT -D-	2
No approved W-3X on file				
485 90407	09	14200	BURNETT -D-	5
No approved W-3X on file				
485 90409	09	14200	BURNETT -D-	10
No approved W-3X on file				
485 90410	09	14200	BURNETT -D-	11
No approved W-3X on file				
485 90411	09	14200	BURNETT -D-	12
No approved W-3X on file				
485 90412	09	14200	BURNETT -D-	13
No approved W-3X on file				
485 90413	09	14200	BURNETT -D-	15
No approved W-3X on file				
485 90686	09	14850	BURNETT	3W
No approved W-3X on file				
485 90699	09	14850	BURNETT	18
No approved W-3X on file				
485 90700	09	14850	BURNETT	19
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
485 90701	09	14850	BURNETT	20
No approved W-3X on file				
485 90708	09	14850	BURNETT	26
No approved W-3X on file				
485 90709	09	14850	BURNETT	27
No approved W-3X on file				
485 90714	09	14850	BURNETT	31
No approved W-3X on file				
485 90715	09	14850	BURNETT	32
No approved W-3X on file				

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Exhibit A