

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0297924**

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**IN RE: P-5 ORGANIZATION REPORT OF CIBOLO ENERGY OPERATING, INC.**

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**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. Cibolo Energy Operating, Inc. [Operator #153393] (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 April 1, 2015.
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 Cibolo Energy Operating, Inc.'s P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that Cibolo Energy Operating, 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 Cibolo Energy Operating, 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 September 15, 2015.)

API Number	District	ID Number	Lease Name	Well Number
021 00477 No approved W-3X on file	01	15030	YOAST	2
021 80040 No approved W-3X on file	01	15030	YOAST	5
021 80117 No approved W-3X on file	01	15030	YOAST	3
021 80118 No approved W-3X on file	01	15030	YOAST	4
163 30696 No approved W-3X on file	01	05073	EARNEST, W. A.	281
163 30936 No approved W-3X on file	01	05236	BEEELER, R. F.	311
163 30967 No approved W-3X on file	01	05073	EARNEST, W. A.	283
163 31037 No approved W-3X on file	01	05073	EARNEST, W. A.	321
163 31475 No approved W-3X on file	01	05538	CARRICO	1H
163 31528 No approved W-3X on file	01	05538	CARRICO	3
163 31572 No approved W-3X on file	01	05538	CARRICO	4H
163 31594 No approved W-3X on file	01	05654	BEEELER, R. F. "A"	301
163 31717 No approved W-3X on file	01	05654	BEEELER, R. F. "A"	314
163 33013 No approved W-3X on file	01	05073	EARNEST, W. A.	286
163 33038 No approved W-3X on file	01	13184	BEEELER, R. F. "C"	3105
493 31511 No approved W-3X on file	01	13923	KAF UNIT	7M
493 31590 No approved W-3X on file	01	13923	KAF UNIT	5KG
507 30435 No approved W-3X on file	01	05073	EARNEST, W. A.	291
507 30437 No approved W-3X on file	01	05073	EARNEST, W. A.	282

Docket No. 20-0297924

Exhibit A

API Number	District	ID Number	Lease Name	Well Number
507 30491 No approved W-3X on file	01	05073	EARNEST, W. A.	292
507 30882 No approved W-3X on file	01	05073	EARNEST, W. A.	302
507 30913 No approved W-3X on file	01	05073	EARNEST, W. A.	294
507 30937 No approved W-3X on file	01	05073	EARNEST, W. A.	303
507 30956 No approved W-3X on file	01	05073	EARNEST, W. A.	304H
507 31886 No approved W-3X on file	01	05073	EARNEST, W. A.	295
507 32390 No approved W-3X on file	01	05073	EARNEST, W. A.	306

Docket No. 20-0297924

Exhibit A