

# **RAILROAD COMMISSION OF TEXAS**

## **HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 7B-0297786**

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**GOOD FAITH CLAIM REVIEW OF FRONTIER RESOURCES, INC. (OP. NO. 287200)  
FOR THE MOSELY-TOLLIVER (137645) LEASE, WELL NO. 1, STEPHENS COUNTY  
REGULAR (GAS) FIELD, STEPHENS COUNTY, TEXAS.**

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### **FINAL ORDER**

The Commission finds that the operator of the captioned lease filed a written response only and did not request a hearing. The proceeding 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. At least ten days notice was given to Frontier Resources, Inc. ("Frontier") that it could contest a prior determination of the Commission by filing a written request for a hearing within ten (10) days of that determination. By letter dated August 12, 2013, Hearings Examiner Michael Crnich informed Frontier that its previously cancelled plugging extension on the captioned lease and well would remain cancelled, but afforded Frontier an opportunity to file, within ten (10) days or by August 23, 2013, a written request for a hearing to challenge that determination.
2. Frontier's response was filed over two years late, but pursuant to Commission Rules of Practice and Procedure §1.22(a), titled Classification of Pleadings, "If there is an error in the designation of a pleading, the examiner or the appropriate director may determine its appropriate status in the proceeding and treat it accordingly." Commission Rules of Practice and Procedure §1.22(b), states "Pleadings should be liberally construed". Due to the unusual circumstances of this case, including Frontier's recent loss of its P-5, ALJ Marshall Enquist hereby construes Frontier's very late response as an "answer".
3. By letter dated October 12, 2015, the ALJ notified Elaine Moore, Attorney with the Enforcement Section of the General Counsel Division, Kristi Reeve, Attorney with the Enforcement Section of the General Counsel Division, and Mysti Doshier, Manager of the P-5 Department, Administrative Compliance Section, that Frontier had presented three new leases as its good faith claim to operate the captioned lease and well and offered them an opportunity to protest.

- a.) Staff Attorney Elaine Moore responded that Frontier was the subject of Docket No. 7B-0296177 on the Mosely-Tolliver Lease in Stephens County, involving violations of Statewide Rules 14(b)(2), 3(1&2), and 8(d)(4)(H)((i)(I).
- b.) Staff Attorney Elaine Moore responded that Frontier was the subject of Docket No. 7B-0296641 on the E.R.M. Unit Lease in Throckmorton County, involving violations of Statewide Rules 14(b)(2) and 3(1&2).
4. Frontier provided a contractual lease on the Mosely-Tolliver (137645) Lease, Well No. 1, dated May 22, 2015, with a primary term of ten (10) years, signed by Lessor Letty (Tolliver) Carrasco to Lessee Frontier Resources, Inc.
5. Frontier provided a contractual lease on the Mosely-Tolliver (137645) Lease, Well No. 1, dated May 26, 2015, with a primary term of ten (10) years, signed by Lessor James Harold Tolliver to Lessee Frontier Resources, Inc.
6. Frontier provided a contractual lease on the Mosely-Tolliver (137645) Lease, Well No. 1, dated May 22, 2015, with a primary term of ten (10) years, signed by Lessors William J. Tolliver and wife Kathryn A. Tolliver to Lessee Frontier Resources, Inc.
7. Frontier Resources, Inc. is subject to Oil & Gas Docket No. 20-0297928, with an Order stripping Frontier of its P-5 issued on September 16, 2015. Frontier did not request a hearing on the matter and did not pay a hearing fee as required by 16 Tex. Admin. Code §3.15(g)(4). Frontier no longer has a P-5 Organization Report.
8. A “good faith claim” is defined in Commission Statewide Rule 15(a)(5) as “A factually supported claim based on a recognized legal theory to a continuing possessory right in the mineral estate, such as evidence of a currently valid oil and gas lease or a recorded deed conveying a fee interest in the mineral estate.” 16 Tex. Admin. Code §15(a)(5).

#### **CONCLUSIONS OF LAW**

1. Proper notice of hearing was timely issued to appropriate persons entitled to notice.
2. All things necessary to the Commission attaining jurisdiction have occurred.
3. Frontier Resources, Inc. has demonstrated a good faith claim to operate the Mosely-Tolliver (137645) Lease, Well No. 1.
4. Frontier Resources, Inc. does not have a Form P-5 Organization Report and cannot operate the Mosely-Tolliver (137645) Lease, Well No. 1 until it satisfies all requirements to renew its Form P-5 Organization Report.

The Commission **FINDS** that Frontier Resources, Inc. has a good faith claim to operate the Mosely-Tolliver (137645) Lease, Well No. 1, but must renew its Form P-5 Organization Report prior to attempting operations on the lease.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's Order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application 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 Commission Order is signed.

All pending motions and requests for relief not previously granted or granted herein are denied.

Done this 8th day of December, 2015, in Austin, Texas.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
Hearings Division Unprotested Master Order dated  
December 8, 2015)**