

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 7B-0298857**

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**COMPLAINT OF BOB COLLINS THAT PRENSORUS ENERGY, LLC (OP. 676080) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE YOUNG, WAYNE S. LEASE (LEASE NO. 11199), WELL NO. 2, LAKE ABILENE (CROSS CUT) FIELD, TAYLOR COUNTY, TEXAS**

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**FINAL ORDER**

The Commission finds that after statutory notice of the captioned matter, Prensorus Energy, LLC did not request a hearing. This matter having been duly submitted, the Railroad Commission of Texas (RRC or Commission) enters and adopts findings of fact and conclusions of law, as follows:

**FINDINGS OF FACT**

1. At least ten days notice was given to Prensorus Energy, LLC, RRC Operator No. 676080 (Prensorus).
2. Prensorus is the operator of record for the Young, Wayne S. Lease, RRC Lease No. 11199, Well No. 2 (Well 2) and has been the operator of record at the RRC since at least March 1, 2013.
3. On or about November 13, 2015, the RRC received a compliant from Bob Collins alleging Prensorus does not have a "good faith claim" to operate Well 2 and Well 2 should be plugged. On or about November 30, 2015, an RRC Administrative Law Judge requested in writing that Prensorus either: (1) provide evidence that it holds a good faith claim to a continuing right to operate the referenced property; or (2) request a hearing on the matter on or before December 21, 2015. This writing expressly notified the operator that failure to timely request a hearing would constitute waiver of the opportunity to request a hearing.
4. According to RRC records, Prensorus has a current P-5 with a \$50,000 financial bond for its 7 wells.
5. 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 § 3.15(a)(5).
7. Well 2 has been inactive for a period of 3 years and has not reported production to the RRC since January 2013.
8. In support of his complaint, Bob Collins presented the Oil & Gas Lease between Ruby Fay Young, Ploy Young Reeves, and Reta Young and the Columbian Fuel Corporation, officially registered in the Tuscola County, Texas records on July 15, 1965. He also presented copies of email correspondence between him and representatives of Prensorus indicating Prensorus' lease had expired.
9. Prensorus failed to provide evidence that it holds a good faith claim to a continuing right to operate the referenced property and also failed to timely request a hearing. In a letter to the Hearings

Division of the RRC dated December 21, 2015, Mr. Casey Hart, a Partner of Prensorus, agreed to plug and abandon the well.

10. Prensorus Energy does not hold a good faith claim to operate the referenced property.
11. Absent a "good faith claim" to operate, the subject well is not eligible for an extension to the plugging requirements in Statewide Rule 14 and 15 as provided for in Statewide Rule 15(e).
12. The current plugging extension status of Well 2 is "Denied" according to RRC records.
13. Well 2 should be plugged.
14. Pursuant to TEX. GOV'T CODE §§ 2001.056 and 2001.062(e), Prensorus has waived the opportunity to request a hearing on the matter.

**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. Resolution of this docket is a matter committed to the jurisdiction of the Commission. TEX. NAT. RES. CODE §§ 81.051.
4. Prensorus does not have a "good faith claim" to continue operating Well 2.
5. Well 2 is not eligible for a plugging extension and Well 2 should be plugged in.

**IT IS THEREFORE ORDERED** that the Prensorus is not eligible for plugging extensions for Well 2. Prensorus is hereby **ORDERED** to plug or otherwise place Well 2 in compliance with Statewide Rules 14 and 15.

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 23rd day of February, 2016, in Austin, Texas.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by HD  
Unprotested Master Order dated February 23, 2016)**