

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET NO. 03-0297957**

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**SINGLE SIGNATURE P-4 FILING OF D J PRODUCTION (OP. 196261) FOR THE EARL C. BENTLEY LEASE (05974), WELL NO. 1, BLUE RIDGE FIELD, FORT BEND COUNTY, TEXAS TO CHANGE OPERATOR FROM P.R.W. ENERGY, INC. (OP. 631526) TO D J PRODUCTION (OP. 196261)**

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**FINAL ORDER**

The Commission finds that after statutory notice of the captioned proceeding, P.R.W. Energy, Inc., did not respond and this docket proceeded as a default. The proceeding having been duly submitted to the Railroad Commission of Texas (“RRC” or “Commission”) 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 P.R.W. Energy, Inc. (“PRW”), RRC Operator No. 631526, and D J Production (“DJ”), RRC Operator No. 196261.
2. PRW is the operator of record for the Earl C. Bentley Lease, RRC Lease No. 05974, Well No. 1 (“Well 1”).
3. On or about August 17, 2015, the RRC received an application by DJ for a change in RRC record operator status for Well 1 from PRW to DJ.
4. On or about December 14, 2015, the Administrative Law Judge (“ALJ”) requested in writing that PRW 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 this matter on or before January 13, 2016. This writing expressly notified the operator that failure to timely request a hearing would constitute waiver of the opportunity to request a hearing on this matter.
5. PRW is delinquent in filing the required annual Commission Organization Report (Form P-5). The last Form P-5 filed by PRW was on October 20, 2000.
6. DJ has a current Form P-5 on file at the Commission with sufficient financial assurance to acquire the above-captioned lease and well.
7. 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).

8. Well 1 has been inactive since at least January 2009, is listed as an orphan well in Commission records, and was slated to be plugged at the cost of the state at the time the above-referenced application was received.
9. DJ presented three oil and gas leases as its “good faith claim” showing transfer of mineral rights from August 2001 through present, with DJ currently having a continuing possessory right in the mineral estate where Well 1 is located. The three leases are described as follows:
  - a. A Warranty Deed dated August 20, 2001 between Frank Baggett and Suzanne Bently DeVille, as the Lessors, and Union Crude Co. as the Lessee;
  - b. A Quit Claim Warranty Deed dated January 8, 2005 between Union Crude Co., as the Lessor, and Thomas E Fereday Jr. as the Lessee; and
  - c. A Quitclaim Deed dated April 27, 2010 between Thomas E Fereday Jr., as the Lessor, and DJ as the Lessee.
10. PRW 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. Ms. Claudia Wilkins submitted a letter, with a copy of a death certificate, stating that Mr. Wilmer Robert Wilkens, President of PRW, was deceased and indicating that PRW is no longer a viable business.
11. PRW does not hold a good faith claim to operate the referenced property.
12. Pursuant to TEX. GOV’T CODE §§ 2001.056 and 2001.062(e), PRW has waived the opportunity to request a hearing on the matter.
13. DJ has demonstrated a good faith claim to a continuing right to operate Well 1.
14. Well 1 should be transferred to DJ, as operator of record.

### **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. PRW does not have a “good faith claim” to continue operating Well 1.
5. DJ does have a “good faith claim” to operate Well 1.

**IT IS THEREFORE ORDERED** that the application of DJ to change the RRC operator of record for Well 1 to DJ is **APPROVED** and DJ’s submitted Form P-4 “Certificate of Compliance and Transportation Authority” reflecting itself as the current operator for Well 1 is hereby **APPROVED** subject to the provisions of TEX. NAT. RES. CODE §§ 91.107, 91.114 and 91.142 and 16 TEX. ADMIN. CODE § 3.15.

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) and 16 TEX. ADMIN. CODE § 1.149(c), 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 12<sup>th</sup> day of April, 2016, in Austin, Texas.

**RAILROAD COMMISSION OF TEXAS**

(Order approved and signatures affixed by HD  
Unprotected Master Order date April 12, 2016)