

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0300616**

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**IN RE: P-5 ORGANIZATION REPORT OF J & J YORK**

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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. J & J York [Operator #427645] (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 January 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 J & J York's P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that J & J York 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 J & J York 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 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 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 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 June 7, 2016.)

API Number	District	ID Number	Lease Name	Well Number
475 05058	08	16976	T. C. I. -B- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	101
475 05059	08	16976	T. C. I. -B- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	103

Docket No. 20-0300616

**Exhibit A**



## Railroad Commission of Texas

### Oil & Gas Division

APRIL 5, 2016

CERTIFIED MAIL NO.

J & J YORK

BOX 392

91 7108 2133 3938 6134 5889

GRANDFALLS

TX 79742

RE: Organization Report (Form P-5) Filing  
J & J YORK (427645)

Renewal Date: JANUARY 1, 2016

Dear Operator:

Previously, the Commission received filings related to renewal of your Organization Report (Form P-5). After review, the P-5 Financial Assurance Unit determined that your renewal should be denied solely because you had not met the inactive well requirements contained in Statewide Rule 15. You were sent notification that you had an additional 90 days from the expiration of your prior organization report to comply with those requirements.

The P-5 Financial Assurance Unit has reviewed current Commission records and has determined that you remain non-compliant with the inactive well requirements of Rule 15. Attached is a listing of your inactive wells that do not meet those requirements, indicating the reasons for this determination. **Please be advised that you have 30 days from the date of this letter to request a hearing regarding this determination, should you wish to do so.** Your prior Organization Report approval has been extended to allow you to continue normal operations during this 30-day period. (Please note that this extension will not change your P-5 annual cycle.) **If a request for hearing is not received timely and you remain out of compliance with Rule 15, the Commission will deny renewal of your P-5 Organization Report.**

**If an order denying renewal of your P-5 Organization Report is issued and becomes final (either due to failure to timely request a hearing or following completion of the hearing process), you will no longer be able to conduct operations subject to the Commission's jurisdiction. All P-4 Certificates of Compliance will be canceled and a severance of pipeline or other carrier connection will be issued. Further, collection of your financial security will begin and further enforcement actions (including administrative penalties of up to \$10,000 per violation per day) for noncompliance with Commission rules.**

As required by Statewide Rule 15, your request for hearing in this matter must be filed with the Commission's Office of General Counsel, Hearings Section, Docket Services, PO Box 12967, Austin Texas 78711. **Your request must include a nonrefundable \$4,500 hearing fee; your request and fee must be received in Docket Services within the 30-day period.** You must also include a list of affected persons to be given notice of the hearing, including yourself (and any representatives) along with the owners of the surface estate of each tract on which a non-compliant well is located.

The Commission's website (<http://webapps2.rrc.state.tx.us/EWA/>) includes a "P-5 Renewal Status Query" that will allow you to monitor your progress and determine what steps remain outstanding during this process. Your P-5 renewal packet included information on Inactive Well requirements; those documents are also posted on the Commission's website for your reference.

This letter was sent by certified mail; an identical copy was also sent to the operator by first class U.S. mail.

Sincerely,  
P-5 Financial Assurance Unit  
(512) 463-6772 / P5@rrc.state.tx.us

Attachment

RRCPS-30