## RAILROAD COMMISSION OF TEXAS

## **HEARINGS DIVISION**

OIL AND GAS DOCKET No. 02-0294421

ENFORCEMENT ACTION AGAINST BAYTEX USA DEVELOPMENT, LLC (OPERATOR NO. 058912) FOR VIOLATIONS OF STATEWIDE RULES ON THE JULIE BECK LEASE, WELL NO. 9H (PERMIT NO. 768246), EAGLEVILLE (EAGLE FORD-2) FIELD, LIVE OAK COUNTY, TEXAS.

## **FINAL ORDER**

The Commission finds that after statutory notice the captioned enforcement proceedings were heard by the examiner on November 3, 2015. The Administrative Law Judge and Technical Examiner have circulated a Proposal for Decision containing Findings of Fact and Conclusions of Law. Having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, those Findings of Fact and Conclusions of Law are hereby adopted and made a part hereof by reference.

It is accordingly **ORDERED** that, within 30 days from the day immediately following the date this order becomes final, Baytex USA Development, LLC (Operator. No. 058912) shall:

Remit to the Railroad Commission of Texas, for disposition as provided by law, an administrative penalty of TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000).

It is further **ORDERED** that, within 90 days from the date immediately following the date this order becomes final, Baytex USA Development, LLC (Operator No. 058912) shall commence operations to re-enter the abandoned wellbore of the Julie Beck Lease, Well No. 9H (Permit No. 768246), Eagleville (Eagle Ford-2) Field, Live Oak County, Texas, in accordance with a plan approved by the San Antonio District Office, and it is **ORDERED** that Baytex USA Development, LLC shall isolate the Carrizo Aquifer with cement plugs above and below the aquifer pursuant to the Groundwater Advisory Unit letter dated August 20, 2013 for the Julie Beck #9H (API# 297-35443).

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.

Each exception to the examiner's proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

Noncompliance with the provisions of this order is subject to enforcement by the Attorney General and subject to civil penalties of up to \$10,000.00 per day per violation.

Done this 25th day of October, 2016, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN DAVID PORTER

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COMMISSIONER CHRISTI CRADDICK

COMMISSIONER RYAN SITTON

ATTEST:

SECRETARY