

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 08-0301787

**APPLICATION OF BURNETT OIL COMPANY, INC. (RRC OPERATOR NO. 110016)
PURSUANT TO STATEWIDE RULE 38(d)(3) FOR DISSOLUTION OF THE
MCKNIGHT GAS UNIT (LEASE NO. 042774), SAND HILLS (JUDKINS) FIELD,
CRANE COUNTY, TEXAS**

FINAL ORDER

The Railroad Commission of Texas (“Commission” or “RRC”) finds that after statutory notice and opportunity for hearing, neither protests nor requests for hearing were received in connection with the captioned application. This proceeding having been duly submitted to the Commission at a conference held in its offices in Austin, Texas, the Commission makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. On September 14, 2016, Burnett Oil Company, Inc. (“Burnett”), RRC Operator No. 110016, filed an application (the “Application”) to dissolve the McKnight Gas Unit (Lease No. 042774) (the “Unit”), Sand Hills (Judkins) Field, in Crane County, Texas.
2. At the time the application was filed, Burnett provided a list of the names and addresses of all current lessees of each tract within the Unit. There are no unleased mineral interest owners within the Unit. Burnett also provided waivers of protest for each of the current lessees.
3. On September 26, 2016, the Commission issued a Notice of Application to all the lessees notifying the lessees of the Application, that they had the right to protest and the right to request a hearing. The Notice of Application provided a deadline to protest of October 26, 2016.
4. No protests were received in response to the Notice of Application.
5. At least ten days’ notice of an opportunity for hearing was given to all lessees, unleased mineral interest owners, and Burnett.
6. In June 1967, the Commission accepted a filing creating the Unit.
7. There has been no reported production of the Unit since November 2013.

CONCLUSIONS OF LAW

1. Proper notice was timely issued to appropriate persons entitled to notice. *See, e.g.*, 16 TEX. ADMIN. CODE § 3.38(d)(3)(B).
2. The Commission has jurisdiction in this case. *See, e.g.*, TEX. NAT. RES. CODE § 81.051.
3. Granting the application will not result in the circumvention of the density restrictions of Statewide Rule 38 or other Commission rules. *See* 16 TEX. ADMIN. CODE § 3.38(d)(3).
4. Burnett's Application complies with all requirements for dissolution of the Unit pursuant to Statewide Rule 38(d)(3).
5. The Application should be approved.

IT IS THEREFORE ORDERED that the Application of Burnett for dissolution of the Unit is **APPROVED** and that the Unit is **DISSOLVED**.

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 15th day of November 2016, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by HD
Unprotested Master Order date November 15, 2016)

JNC/rnf