

RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL & GAS DOCKET NO. 7B-0295288

COMMISSION-CALLED HEARING ON THE REQUEST OF D.N.I. (OPERATOR NO. 221589) THAT VARIOUS WELLS SHOULD NOT BE PLUGGED BY THE COMMISSION AND THE OPERATOR SHOULD NOT BE HELD LIABLE FOR THE ASSOCIATED PLUGGING COSTS UNDER AUTHORITY OF TEX. NAT. RES. CODE §§89.043, 89.083, AND 89.085, IN ADDITION TO OTHER PENALTIES THAT MAY BE ASSESSED.

FINAL ORDER

The Commission finds that after statutory notice the captioned enforcement proceeding was heard by the Examiner who has 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 of the date of this Order, D.N.I. (Operator No. 221589) shall plug the following subject wells in District 7B:

- a. J.W. Phillips (142428) Lease, Well No. 2;
- b. J.W. Phillips (142429) Lease, Well No. 3;
- c. J.W. Phillips (11893) Lease, Well No. 4;
- d. J.L. Kelsey (198814) Lease, Well No. 1;
- e. H.A. Shaw (00994) Lease, Well Nos, 2, 3, & 5;
- f. Amalene Isaacks (16731) Lease, Well Nos. 1 & 2;
- g. Reeves "A" (Drilling Permit No. 721565), Well No. 3

It is further **ORDERED** that D.N.I. (Operator No. 221589) and its officers, Dwight Northcutt and Carolyn Kelly, be held liable for reimbursement of any expenses incurred by the Commission in plugging the subject wells.

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 requested findings of fact and conclusions of law not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or not granted herein are denied.

Done this 15th day of November, 2016.

RAILROAD COMMISSION OF TEXAS



CHAIRMAN DAVID PORTER

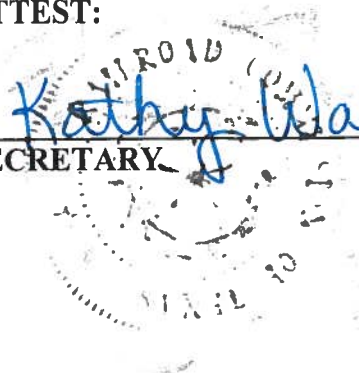
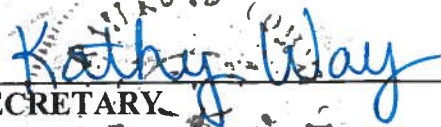


COMMISSIONER CHRISTI CRADDICK



COMMISSIONER RYAN SITTON

ATTEST:

SECRETARY