RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 20-0302560

IN RE: P-5 ORGANIZATION REPORT OF TRI-FORCE OPERATING, L.L.C.

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. TRI-FORCE OPERATING, L.L.C. [Operator #868629] (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 July 1, 2016.
- 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 TRI-FORCE OPERATING, L.L.C.'s P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that all P-4 Certificates of Compliance issued to TRI-FORCE OPERATING, L.L.C. as operator of record are hereby **CANCELLED** and all related pipeline or other carrier connections are hereby **SEVERED**.

It is further ORDERED that TRI-FORCE OPERATING, L.L.C. 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 TRI-FORCE OPERATING, L.L.C. 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 December 6, 2016.)

API	Number I	District	ID Number	Lease Name	Well	Number
253	04659 No approve		26622 file	WIMBERLY -A-		7
253	31333 No approve		27948 file	BOAZ, J. C.		1
253	33907 No approve			WIMBERLY "A"	A	2
253	33948 Production No approve	n fluids m	ust be purge	WIMBERLY B d (certify on Form W-3C)		2
253	34033 No approve			WIMBERLY -A-		5
253	34430 No approve		28549 file	WIMBERLY B		5
253	No approve	ed W-3X on ve Distri		BOAZ eld rule violation issue preventin	ıg	1
253	34789 No approve		29762 file	WIMBERLY		1
253	No approve	ed W-3X on ve Distri		BOAZ eld rule violation issue preventin	g	2
253	34872 No approve		29762 file	WIMBERLY		6
253	34874 No approve		29762 file	WIMBERLY		7
253	81571 No approve	7B ed W-3X on		WIMBERLY -B-	В	1
327	30436 Electricit No approve		disconnecte	CLARK RANCH d (certify on Form W-3C)		1
327	30540 No approve		13120 file	PFLUGER RANCH SOUTH		1
327	30576 No approve		13120 file	PFLUGER RANCH SOUTH		5
327	30810 No approve		209055 file	CLARK RANCH		10
327	30835 No approve	-	14676 file	CLARK RANCH		17

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Exhibit A

API	Number	District	:	ID Number	Lease	Name		Well	Number
327	30838 No approv			14674 file	CLARK	RANCH			16
327	30862 No approv				CLARK	RANCH			12
327	30886 No approv				CLARK	RANCH	SOUTH		14A
327	30907 No approv			15156 file	CLARK	RANCH	SOUTH		18A
327	30928 No approv				CLARK	RANCH			14
327	31108 No approv				CLARK	RANCH	SOUTH		21A

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Exhibit A