

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 03-0305674

IN RE: TRANSFER OF RECORD OPERATOR FOR THE ROBESON UNIT (15027) LEASE, ALL WELLS, HALLIDAY (WOODBINE) FIELD, LEON COUNTY, TEXAS, FROM TAHITI PTRS. ENRGY. SOLUTIONS CORP. TO BURK, NICHOLAS JAMES

FINAL ORDER

The Commission finds that after notice and opportunity for hearing, the prior operator of the captioned lease did not respond and the docket proceeded as a default. The proceeding 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 Facts and Conclusions of Law.

FINDINGS OF FACT

1. At least ten days' notice was given to Tahiti Ptrs. Enrgy. Solutions Corp. (Operator No. 834487), ("Tahiti"), and Burk, Nicholas James (Operator No. 108808), ("Burk").
2. Tahiti is the operator of record for the Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas.
3. On or about July 5, 2017, Burk submitted to the Commission a Form P-4 *Certificate of Compliance and Transportation Authority* requesting transfer of the Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas, from Tahiti to Burk, as operator of record.
4. All Commission correspondence to Tahiti was sent via United States Postal Service 1st class mail to Tahiti's address of record, as set forth on Tahiti's most recent Form P-5 *Organization Report*.
5. All Commission correspondence to Burk was sent via United States Postal Service 1st class mail to Burk's address of record, as set forth on Burk's most recent Form P-5 *Organization Report*.
6. On or about July 7, 2017, the Administrative Law Judge requested in writing that Tahiti either (1) provide evidence that it holds a good faith claim to a continuing right to operate the referenced property or (2) request a hearing on the matter on or before August 7, 2017. This writing expressly notified the operator that failure to timely request a hearing would constitute waiver of the opportunity to request a hearing on the matter.

7. Tahiti has an active Form P-5, with adequate financial assurance on file with the Commission.
8. Burk has an active Form P-5 with sufficient financial assurance in the form of a \$25,000 cash deposit, which expires on November 30, 2017, to acquire the lease and wells in dispute.
9. A “good faith claim” is defined in Commission Statewide Rule (15)(a)(5) as “a factually supported claim based on a recognized legal theory to a continuing possessory right in the mineral estate, such as evidence of a currently valid oil and gas lease or a recorded deed conveying a fee interest in the mineral estate.”
10. The Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas, has not reported production since June 2017.
9. The Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas, reported zero production from January 2015 through May 2017.
10. Burk presented a letter from the surface and mineral owners of the subject property stating that the previous oil, gas and mineral lease terminated, and designating Burk as the contractual operator.
11. Tahiti failed to reply to the Administrative Law Judge’s letter dated July 7, 2017, with any documents that it holds a “good faith claim” to a continuing right to operate the referenced property and failed to timely request a hearing.
12. Tahiti does not have a “good faith claim” to operate the referenced property.
13. Pursuant to TEX. GOV’T CODE §§ 2001.056 and 2001.062(e), Tahiti and Burk have waived the opportunity to request a hearing on the matter.
14. Burk has demonstrated a “good faith claim” to a continuous right to operate the referenced property.
15. The Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas, should be transferred to Burk as operator of record.

CONCLUSIONS OF LAW

1. Proper notice of hearing was timely issued to appropriate persons entitled to notice.
2. All things necessary to the Commission attaining jurisdiction have occurred.
3. Resolution of this docket is a matter committed to the jurisdiction of the Commission. TEX. GOV’T CODE §§ 81.051.

4. Tahiti does not have a “good faith claim” to continue to operate the Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas.
5. Burk has a “good faith claim” to operate the Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas.

IT IS THEREFORE ORDERED that the application of Burk, Nicholas James for transfer of the Form P-4 “Certificate of Compliance and Transportation Authority” for the Robeson Unit (15027) Lease, All Wells, Halliday (Woodbine) Field, Leon County, Texas, is hereby **APPROVED**, subject to the provisions of TEX. NAT. RES. CODE §§ 91.107, 91.114, 91.142 and TEX. ADMIN. CODE § 3.15.

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 Commission Order is signed.

All pending motions and requests for relief not previously granted or granted herein are denied.

Done this September 19, 2017, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

**(ORDER APPROVED AND SIGNATURES AFFIXED
BY HEARINGS DIVISION UNPROTESTED MASTER ORDER
DATED SEPTEMBER 19, 2017)**