## RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

**OIL & GAS DOCKET NO. 20-0306520** 

## IN RE: P-5 ORGANIZATION REPORT OF 4P ENERGY TEXAS, LLC

### **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. 4P Energy Texas, Llc [Operator #953803] (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 March 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 §889.021 89.030.

IT IS ORDERED that renewal of 4P Energy Texas, Llc's P-5 Organization Report is hereby **DENIED.** 

It is further ORDERED that all P-4 Certificates of Compliance issued to 4P Energy Texas, Llc as operator of record are hereby CANCELLED and all related pipeline or other carrier connections are hereby SEVERED.

It is further ORDERED that 4P Energy Texas, Llc 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 4P Energy Texas, Llc 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 September 19, 2017.)

API	Number Di	strict	ID Number	Lease Name			Well Number
211	32436 Electricity		07500 disconnected	LOCKHART 58 d (certify on	Form	W-3C)	1
211	32498 Electricity			LOCKHART 57 d (certify on	Form	W-3C)	3
211	32580 Electricity			JONES TRUST d (certify on		W-3C)	4A
211	32580 Electricity			JONES TRUST d (certify on		W-3C)	4A
211	32643 Electricity			JONES TRUST d (certify on		W-3C)	7A
211			197586 disconnected	MARGARET d (certify on	Form	W-3C)	1021
211	32787 Electricity	-	197589 disconnected	HUMPHREYS d (certify on	Form	W-3C)	6037
211	33222 Production :			SHELL FEE 25 d (certify on		W-3C)	4025
211	33450 Electricity			EDEN d (certify on	Form	W-3C)	301
211	33495 Electricity		218307 disconnected	LEE 5 d (certify on	Form	W-3C)	5
211	33527 Production			SHELL FEE 19 l (certify on		W-3C)	2
211				ISAACS, JOHN l (certify on		W-3C)	1197
211	33746 Electricity	10 must be		COFFEE l (certify on	Form	W-3C)	1018
211	33792 Electricity			ISAACS (certify on	Form	W-3C)	1
211	33903 Electricity	10 must be		ABRAHAM NW (certify on	Form	W-3C)	1402
211	35439 Electricity	10 must be		HUMPHREYS 59 (certify on		W-3C)	6НА
295	00238 Production f	10 Eluids mu		GUY OIL (certify on	Form	W-3C)	2
295	00244 Electricity	10 must be	022279 disconnected	BRILLHART (certify on	Form	W-3C)	1852 U
	00321 Electricity	10 must be		KELLN -B- (certify on	Form	W-3C)	2

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API	Number District	ID Number	Lease Name	Well Number
357	30180 10 Electricity must be		MCGARRAUGH d (certify on Form W-3C)	1
357	30283 10 Electricity must be		CARRIE d (certify on Form W-3C)	1
357		08359 disconnected	CARRIE d (certify on Form W-3C)	2
357	31065 10 Electricity must be	137334 disconnected	DAVIS BROTHERS d (certify on Form W-3C)	3049
357	31795 10 Electricity must be		HARBAUGH -131- d (certify on Form W-3C)	42
357	31873 10 Electricity must be		LOUISE d (certify on Form W-3C)	4 C
357	31901 10 Production fluids mu	127504 ist be purged	CUDD -A- d (certify on Form W-3C)	1-C
357	31901 10 Production fluids mu	127173 ust be purged	CUDD -A- d (certify on Form W-3C)	1T
357	32095 10 Production fluids mu		BRUHLMAN d (certify on Form W-3C)	1703
357	32097 10 Electricity must be	156645 disconnected	EATON d (certify on Form W-3C)	1502
357	32097 10 Electricity must be		EATON d (certify on Form W-3C)	1502
357		08359 disconnected	CARRIE d (certify on Form W-3C)	3
357	32564 10 Production fluids mu	219093 ist be purged	DECK 18 d (certify on Form W-3C)	4
357	32564 10 Production fluids mu		DECK 18 (certify on Form W-3C)	4
357	32577 10 Electricity must be		DECK 18 l (certify on Form W-3C)	5
357	32583 10 Electricity must be		DECK 18 (certify on Form W-3C)	6
357	32586 10 Electricity must be		CARRIE (certify on Form W-3C)	4
357	32625 10 Surface equipment mu		PEARSON, D.B. d (certify on Form W-3C)	7
	33156 10 Electricity must be		PEARSON, D. B. (certify on Form W-3C)	3Н

API	Number Dis	trict	ID Number	Lease Name		Well Number
357				PEARSON, D. B. d (certify on Form	m W-3C)	2Н
357				BLACK STONE 15 d (certify on Form	m W-3C)	2Н
393	30097 Electricity	10 must be	08272 disconnected	WILSON, JAMES E. d (certify on Form	m W-3C)	2
393	30807 Production f			LARD l (certify on Form	m W-3C)	1061
393		10 must be		MILLS l (certify on Form	m W-3C)	2
393	30993 Electricity			MILLS l (certify on Form	m W-3C)	2 T
393				LOCKE CATTLE COMP 15 delinquency pr	PANY reventing 14B2 ap	1025 proval
393			210639 disconnected	CONRAD l (certify on Form	m W-3C)	3192
393	31711 Production f			CAVINS-JARVIS (certify on Form	m W-3C)	3
393	32129 Electricity			LARD RANCH (certify on Form	m W-3C)	7061H
483		10 luids mu		GREENHOUSE, T. A. (certify on Form		1
483		10 must be		SHELTON (certify on Form	n W-3C)	2701
483				ABERNETHY UNIT (certify on Form	n W-3C)	1046RE
483		10 must be		ABERNETHY UNIT  (certify on Form	n W-3C)	1046RE
483		10 must be		ATHERTON 69 (certify on Form	n W-3C)	3
483		10 must be		ATHERTON 69 (certify on Form	n W-3C)	4
483		10 must be		DAVIS 25 (certify on Form	n W-3C)	1
483		10 luids mu:		MEEK (certify on Form	n W-3C)	2041
483		10 must be o		REED (certify on Form	n W-3C)	2070

API	Number Di	strict	ID Number	Lease Name		Well Number
483	31784 Electricity		209636 disconnected	ELMORE 21 d (certify on	Form W-3C)	4021
483	31804 Electricity			MILLER d (certify on	Form W-3C)	2026
483	31817 Electricity		211188 disconnected	DAVIS 65 d (certify on	Form W-3C)	3
483	31818 Electricity		210636 disconnected	BRYANT 21 d (certify on	Form W-3C)	5
483	31823 Electricity			STILES 67 d (certify on	Form W-3C)	5067
483	31870 Electricity		214010 disconnected	REED 2 l (certify on	Form W-3C)	8
483	31875 Electricity		213485 disconnected	LOTT 2 l (certify on	Form W-3C)	2
483	31875 Electricity		217529 disconnected	LOTT 2 l (certify on	Form W-3C)	2
483				BRITT RANCH		2
483	31892 Production f	10 Eluids mu	213547 st be purged	DAVIS 65 l (certify on	Form W-3C)	4
483	31897 Electricity		216361 disconnected	LEDBETTER 66 (certify on	Form W-3C)	3
483				STILES RANCH (certify on		2
483	31931 Electricity	10 must be	215345 disconnected	MILLER 26 (certify on	Form W-3C)	4
483	31952 Electricity			ATEHRTON 69 (certify on	Form W-3C)	10
483	31956 Electricity	10 must be		STILES RANCH (certify on		3023
483	31969 Production f	10 Iluids mu	215106 st be purged	STILES RANCH (certify on	23 Form W-3C)	4023
		10 must be		BRUMMETT 22 (certify on	Form W-3C)	1
483	31987 Electricity	10 must be	215903 disconnected	MEEK 41 (certify on	Form W-3C)	3
		10 must be		HAGERMAN (certify on	Form W-3C)	1021

API	Number Di	istrict	ID Number	Lease Name		Well Number
483	31991 Electricity			STILES RANCH d (certify on		5
483			218306 disconnecte	JONES 22 d (certify on	Form W-3C)	2
483	32029 Electricity		216382 e disconnecte	ELMORE 32 d (certify on	Form W-3C)	.7.
483	32031 Electricity		224872 e disconnecte	MILLER 26 d (certify on	Form W-3C)	5
483			220025 disconnected	ELMORE 32 d (certify on	Form W-3C)	6
483	32053 Electricity		219009 disconnected	DAVIS 25 d (certify on	Form W-3C)	2
483	32058 Electricity		229592 disconnected	JONES 22 d (certify on	Form W-3C)	3
483				STILES RANCH d (certify on		5023
483	32069 Electricity			BRUMMETT 22A d (certify on		2
483	32071 Electricity		219008 disconnected	STILES 67 d (certify on	Form W-3C)	8
483	32105 Electricity		222869 disconnected	GRAYSON d (certify on	Form W-3C)	3203
483	32112 Electricity			GRAYSON 22 d (certify on	Form W-3C)	4
	32113 Electricity	10 must be		DAVIS 65 d (certify on	Form W-3C)	8
483			224300 disconnected	CALCOTE 63 d (certify on	Form W-3C)	1
483	32206 Electricity	10 must be		ELMORE 32 d (certify on	Form W-3C)	8
	32225 Electricity	10 must be		DAVIS 65 d (certify on	Form W-3C)	9
	32246 Electricity	10 must be		BRUMMETT 22 d (certify on	Form W-3C)	5
	32258 Electricity	10 must be		BRUMMETT 22A d (certify on	Form W-3C)	2
	32319 Electricity	10 must be		BRUMMETT 22 d (certify on	Form W-3C)	3

API	Number	Di	stric	t	ID Number	Lease Name	9			Well	Numbe
483	32354 Electrici	ty	10 must	be	234022 disconnected	GRAYSON 22 d (certify	on	Form	W-3C)		3
483	32425 Electrici	.ty	10 must	be	234766 disconnected	DAVIS 65 d (certify	on	Form	W-3C)		11
483	32426 Electrici	.ty	10 must	be	235492 disconnected	STILES RAN	On	23 Form	W-3C)		8
483	32475 Electrici	ty	10 must	be	236957 disconnected	DAVIS 65 (certify	on	Form	W-3C)		12
483	32519 Electrici	ty	10 must	be	239451 disconnected	STILES RAN	ICH on	Form	W-3C)	23	313
483	32530 Electrici	ty	10 must	be	241684 disconnected	ALEXANDER (certify	23 on	Form	W-3C)		2
483	32902 Electrici	ty	10 must	be	257545 disconnected	BRITT 5 (certify	on	Form	W-3C)		4H
483	32903 Electrici	ty	10 must	be	255527 disconnected	RUBY LEE (certify	on	Form	W-3C)	1	.03Н
483	33221 Productio	n f	10 luids	s mu	267507 st be purged	ELMORE 21 (certify	SL on	Form	W-3C)		11H
483	33573 Electrici	ty	10 must	be	270356 disconnected	STILES 67 (certify	SL on	Form	W-3C)		21H

Docket No. 20-0306520 Exhibit A