RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 02-0300234

COMMISSION-CALLED HEARING TO PROVIDE POLK OPERATING, LLC AN OPPORTUNITY TO SHOW CAUSE WHY THE OPERATOR IS NOT IN VIOLATION OF STATEWIDE RULES 8(D)(1), 8(D)(6), AND 91 AT THE POLK KARNES R3 FACILITY, KARNES COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice the captioned proceedings were heard by an Administrative Law Judge on December 15 and 16, 2016; February 21 & 22, 2017; May 1, 2 2017; and May 12, 2017. The Administrative Law Judge 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, the Findings of Fact and Conclusions of Law are hereby adopted and made a part hereof by reference.

IT IS HEREBY ORDERED that not later than the 120th day following the date on which this order becomes final under law Polk Operating, LLC shall conduct and complete full remediation of the Polk Karnes R³ Facility, including Pit Permit Nos. STF-042, P0011769, P011770, P011771, P011772, and P011773, A. Hernandez Survey, A-4, located in Karnes County, Texas, pursuant to 16 TEX. ADMIN. CODE § 3.91.

It is further **ORDERED** that Polk Operating, LLC's Permit No. STF-042 for the Polk Karnes R³ Facility, including Pit Permit Nos. STF-042, P0011769, P011770, P011771, P011772, and P011773, A. Hernandez Survey, A-4, Karnes County, Texas, is hereby **SUSPENDED** until such time that Polk Operating, LLC and the Polk Karnes R³ Facility are in full compliance with Permit No. STF-042, all applicable Commission rules and regulations, and has conducted full remediation of the Facility pursuant to 16 TEX. ADMIN. CODE § 3.91to the satisfaction of the Commission's site remediation staff.

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 100 days from the date Commission Order is signed.

Each exception to the Administrative Law Judge's proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

Noncompliance with the provisions of this order is subject to enforcement by the Attorney General and subject to civil penalties of up to \$10,000 per day per violation.

ENTERED in Austin, Texas on this February 27, 2018.

RAILROAD COMMISSION OF TEXAS

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CHAIRMAN CHRISTI CRADDICK

COMMISSIONER KYAN SITTON

COMMISSIONER WAYNE CHRISTIAN

ATTEST

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