

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0309682

IN RE: P-5 ORGANIZATION REPORT OF ARROWHEAD PRODUCTIONS, LP

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. Arrowhead Peoductions, Lp [Operator #033523] (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 September 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 Arrowhead Peoductions, Lp's P-5 Organization Report is hereby **DENIED**.

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

It is further ORDERED that Arrowhead Peoductions, Lp 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 Arrowhead Peoductions, Lp 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 100 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 March 20, 2018.)

API Number	District	ID Number	Lease Name	Well Numbe
237 39047	09	233508	FOX B	1 H
No approved W-3X on file				
237 39065	09	254967	DIXON	1
No approved W-3X on file				
237 39876	09	32914	POTTS	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 80015	09	021222	BOLEY-HENDERSON	1
No approved W-3X on file				
237 80344	09	030752	CHERRYHOMES	B 1
No approved W-3X on file				
237 80437	09	037051	DEES, W. J.	5
No approved W-3X on file				
363 01850	7B	045215	TRI STATE LEASING CORP.	1B
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 20088	7B	043928	MONTY WATSON CONE	A 19
No approved W-3X on file				
363 32017	7B	079689	BIRDWELL, EMORY	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 32447	7B	091690	TRI-STATE LEASING CORP	215
No approved W-3X on file				
363 32650	7B	098121	BIRDWELL, EMORY	2
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 34124	7B	141841	MCKEE	3
No approved W-3X on file				
363 34629	7B	163227	MERCER	1502
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 34680	7B	165521	MERCER	1401
No approved W-3X on file				
363 34760	7B	168985	CONE "9"	901
No approved W-3X on file				
363 35776	09	275635	ROBERTSON HILL RANCH	3H
No approved W-3X on file				
363 35792	09	274030	SINGLETON	1H
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Numbe
237 35698	09	114601	ROBERTSON, ODESSA	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 37501	09	175759	CRAMER	1
No approved W-3X on file				
237 37985	09	28402	B C J	1
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
237 38319	09	172057	DINWIDDIE, BORDEN	1
No approved W-3X on file				
237 38323	09	174071	BORDEN DINWIDDIE "A"	1
No approved W-3X on file				
237 38330	09	170611	LEVEREDGE, ZELA	1
No approved W-3X on file				
237 38424	09	30160	BOLEY	3
No approved W-3X on file				
237 38697	09	31421	CRAMER	4
No approved W-3X on file				
237 38765	09	203307	STRICKLAND	4
No approved W-3X on file				
237 38843	09	210867	NEWSOME "B"	1
No approved W-3X on file				
237 38912	09	221591	PARRIS UNIT	1H
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 38917	09	221581	JOHNSTON "A"	1H
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 38938	09	230484	SHAWVER	1H
No approved W-3X on file				
237 38973	09	230113	PARRIS UNIT	2 H
No approved W-3X on file				
237 38980	09	225783	FOX "A"	1H
No approved W-3X on file				
237 39021	09	228378	JACKSON HEIRS "A"	2H
No approved W-3X on file				
237 39029	09	230908	BOLEY RANCH	1 H
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
097 33748	09	30489	PAYNE RANCH	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
097 33768	09	30489	PAYNE RANCH	2
No approved W-3X on file				
097 33777	09	30827	PAYNE	3
No approved W-3X on file				
097 33918	09	30827	PAYNE	4
No approved W-3X on file				
237 02284	09	03662	DEES, W. J.	2
No approved W-3X on file				
237 02860	09	178434	BOLEY, L. E.	2
No approved W-3X on file				
237 02861	09	038711	BOLEY, L. E.	4 U
No approved W-3X on file				
237 02861	09	038475	BOLEY, L. E.	4 L
No approved W-3X on file				
237 31478	09	216212	COLE, C. J.	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 31576	09	104484	CHERRYHOMES 7	2
No approved W-3X on file				
237 31930	09	076633	THACKER	1
No approved W-3X on file				
237 32231	09	150277	TURNER, I. A. -A-	1
No approved W-3X on file				
237 32322	09	210214	CRANFORD, L. A. ET AL	1
No approved W-3X on file				
237 32836	09	153958	SHAWVER, ANDY B.	1
No approved W-3X on file				
237 33420	09	096016	CLAYTON-HEIRS	2 C
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 33420	09	096017	CLAYTON-HEIRS	2 T
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
237 34387	09	101806	YOWELL, T. J.	3
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
363 35798	09	275759	SINGLETON B	1H
No approved W-3X on file				
363 35799	09	275333	SINGLETON B	2H
No approved W-3X on file				
363 35862	09	275639	SINGLETON B	3RH
No approved W-3X on file				
363 35864	09	251071	PUREFOY	1
No approved W-3X on file				
363 35867	09	275641	MCCLENDON	1H
No approved W-3X on file				
363 35873	09	274839	BOWSHER UNIT	2H
No approved W-3X on file				
363 35875	09	275618	SINGLETON B	4
No approved W-3X on file				
363 35901	09	275332	SAIN	1H
No approved W-3X on file				
367 00461	7B	070412	THOMAS	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
367 30360	7B	085579	COLLINS "A"	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
367 30379	7B	067566	LYNCH	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
367 30434	7B	069722	CHILCUTT R.S.	1
No approved W-3X on file				
367 30591	7B	082050	WRIGHT, S. F.	1
No approved W-3X on file				
367 31217	7B	081810	SHAW	1
No approved W-3X on file				
367 31482	7B	084682	JOHNSTON UNIT	1 T
No approved W-3X on file				
367 31482	7B	084681	JOHNSTON UNIT	1 C
No approved W-3X on file				
367 31618	7B	086604	JOHNSTON UNIT	2 T
No approved W-3X on file				
367 31618	7B	086603	JOHNSTON UNIT	2 C
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
367 32342	7B	03165	DALY, SCOTT L. TRUSTEE -A-	3A
No approved W-3X on file				
367 32361	7B	102407	LYNCH	3
No approved W-3X on file				
367 32913	7B	221571	RHOADES	3
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
367 33101	7B	135853	HUTCHESON	10
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
367 33429	09	194283	BOYD	1
No approved W-3X on file				
367 34248	09	232341	STARKS SMITH	1 H
No approved W-3X on file				
367 34968	09	252758	REILLY B UNIT	2H
No approved W-3X on file				
367 80149	7B	222155	CULWELL	2
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
367 80184	7B	070163	WEEKS	1
No approved W-3X on file				
417 32488	7B	076653	SNYDER, MORRIS	1
No approved W-3X on file				
497 00811	09	152387	STEVENS, JIM UNIT	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
497 30477	09	070487	RSK CORP.	1
No approved W-3X on file				
497 30553	09	090206	WHETSELL, FW ET AL	1
No approved W-3X on file				
497 31401	09	131735	BOAZ, ROSIE	2
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
497 31613	09	089191	GAMBLE, C. R. ET AL	1
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
497 32017	09	091733	CHESTER AARON-NIBLETT	1
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
497 33216	09	26765	MOTLEY, V.	2
No approved W-3X on file				
497 33257	09	173241	MOTLEY, VALTON	3
No approved W-3X on file				
497 33296	09	27097	MOTLEY, LAVON	4
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
497 33851	09	147875	RSK CORP. "A"	2
No approved W-3X on file				
497 35685	09	217840	NEIGHBOR	1
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				

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