RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

HEARINGS DIVISION'S UNPROTESTED MASTER ORDER

April 24, 2018

At a public conference held at its offices in Austin, Texas, the Commission finds that after statutory notice, the below referenced proceedings were heard by the examiners and that no party appeared in protest to the requested relief. The Final Orders for each of the below referenced dockets are incorporated by reference into this order, and by signing this Master Order, the Commission approves each of the Final Orders and adopts the provisions contained therein.

| ITEM NO. | DOCKET NO. | APPLICANT | LEASE, WELL, OR SITE | ORDER TERMS | |
|-------------|--|------------------------------------|--|---------------------------------|--|
| | Field Rules: | | | | |
| 12. | 08-0308621 (Peggy Laird/ Kristi Reeve) | Blackbeard Operating, LLC (073056) | Monahans, North (Clearfork) Field, Winkler County, Texas | Adopt Field Rules. | |
| 13. | 08-0308622 (Peggy Laird/ Kristi Reeve) | Blackbeard Operating LLC (073056) | Armer (6350) Field, Crane County, Texas | Amend Field Rules. | |
| 14. | 08-0306090 (Richard Eyster/ Ryan Lammert) Order Nunc Pro Tunc | Shell Western E&P (774719) | Two Georges (Bone Spring) Field, Culberson, Loving, Reeves, Ward and Winkler Counties, Texas | Approve Order Nunc Pro Tunc. | |
| 15. | 02-0307472 (Robert Musick/ Clayton Hoover) | Hilcorp Energy Company (386310) | Refugio-Fox (5800) Field, Refugio County, Texas | Amend Field Rules. | |
| | Maximum Efficient Rate (MER) and Net Gas-Oil Ratio (GOR): | | | | |
| 16. | 08-0307139 (Robert Musick/ Jennifer Cook) | Blackbeard Operating, LLC (073056) | Landlubber Lease (48393), Armer (6350) Field, Crane County, Texas. | Grant the application. | |
| | Statewide Rule 32: | | | | |
| 17. | 06-0308937 (Peggy Laird/ Kristi Reeve) | XTO Energy Inc. (945936) | Lloyd, C.E. (14562) Lease, Minden (Travis Peak Cons.) Field, Rusk County, Texas | Grant Rule 32 exception. | |
| 18. | 06-0308942 (Peggy Laird/ Kristi Reeve) | XTO Energy Inc. (945936) | Lloyd, C.EA- (13199) Lease, Henderson (Rusk Co. Pettit) Field, Rusk County, Texas | Grant Rule 32 exception. | |
| 19. | 01-0308430 (Karl Caldwell/ Kristi Reeve) | SN Operating, LLC (797110) | Valyn Clara A1H-A3H/B1H-B3H Lease, Briscoe Ranch (Eagle Ford) Field, Zavala County, Texas | Grant Rule 32 exception. | |

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| | Statewide Rule 32 (continued): | | | | |
| 20. | 10-0308619 (Karl Caldwell/ Kristi Reeve) | Continental Trend Resources, Inc (173783) | Holt State (09334) Lease, Well No. 183H, Hartley, West (Canyon) Field, Hartley County, Texas | Grant Rule 32 exception. | |
| 21. | 01-0308345 (Paul Dubois/ Kristi Reeve) | J.P. Oil Company, Inc. (427858) | Horn Field (Edwards Lime) Unit, Charlotte (Horn) Field, Atascosa County, Texas | Grant Rule 32 exception. | |
| 22. | 8A-0308620 (Richard Eyster/ Clayton Hoover) | Apache Corporation (027200) | Fuller Master Meter 278, Sharon Ridge (Clear Fork) Field & Sharon Ridge (1700) Field, Scurry County, Texas | Grant Rule 32 exception. | |
| 23. | 8A-0308615 (Robert Musick/ Kristi Reeve) | Steward Energy II, LLC (819609) | Greasy Bend 584 (70376) Lease & Even Flow 584 Lease, Platang (San Andres) Field, Yoakum County, Texas | Grant Rule 32 exception. | |
| 24. | 8A-0308700 (Robert Musick/ Kristi Reeve) | Steward Energy II, LLC (819609) | Bridge 452 Lease, Well No. 3H & Under the Bridge 452 A Lease, Well No. 4H, Platang (San Andres) Field, Yoakum County, Texas | Grant Rule 32 exception. | |
| | Statewide Rule 46: | | | | |
| 25. | 8A-0308435 (Paul Dubois/ Kristi Reeve) | OXY USA, Inc. (630591) | West Sundown (70442) Unit, Well Nos. 44, 51, 61, 71, 90, 109, 112, 133, 136, 149, 152, 168, 171, 188 and 192, Slaughter Field, Hockley County, Texas. | Amend the permit. | |
| 26. | 8A-0308537 (Paul Dubois/ Kristi Reeve) | OXY USA, Inc. (630591) | West Sundown (70442) Unit, Well Nos. 8, 10, 14, 18, 21, 23, 25, 31, 38, 41, 48, 55, 58, 65, 68, 75, 94, 115, 117 and 156, Slaughter Field, Hockley County, Texas | Amend the permit. | |
| | Statewide Rule 1 | 106: | | | |
| 27. | 8A-0307897 (Paul Dubois) | Santa Fe Midstream Permian LLC (748093) | Double Down Gas Gathering System, Permian Basin Field Area, Yoakum County, Texas | Grant the application. | |
| | Single Signature P-4 (SP4): | | | | |
| 28. | 03-0309258 (Jennifer Cook) | American Patriot Operating Corp (018883) | Busch, H. (16030) Lease, Well Nos. 1B, 2B, 9B and 10B, Goose Creek Field, Harris County, Texas | Change the Operator of Record from OTeX Resources LLC (628135) to American Patriot Operating Corp. | |
| 29. | 03-0309259 (Jennifer Cook) | American Patriot Operating Corp (018883) | Busch, H. et al -A- (01754) Lease, Well No. 3, Goose Creek Field, Harris County, Texas | Change the Operator of Record from OTeX Resources LLC (628135) to American Patriot Operating Corp. | |
| 30. | 03-0309001 (Jennifer Cook) | Gaither Petroleum (292850) | Prather-Drillers Fee (01776) Lease, Well Nos. 14 and 18, Goose Creek Field, Harris County, Texas | Change the Operator of Record from Siempre Energy Operating, LLC (780191) to Gaither Petroleum Corporation. | |

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|-------------|---|-------------------------------|---|---|--|
| | Single Signature P-4 (SP4) (Continued): | | | | |
| 31. | 03-0309008 (Jennifer Cook) | Gaither Petroleum (292850) | Briggs (01772) Lease, Well No. 16, Goose Creek Field, Harris County, Texas | Change the Operator of Record from Siempre Energy Operating, LLC (780191) to Gaither Petroleum Corporation. | |
| 32. | 03-0309009 (Jennifer Cook) | Gaither Petroleum (292850) | Tabb Fee (01779) Lease, Well No. 14, Goose Creek Field, Harris County, Texas | Change the Operator of Record from Siempre Energy Operating, LLC (780191) to Gaither Petroleum Corporation. | |
| 33. | 09-0309162 (Jennifer Cook) | Breeze Oil, LLC (090706) | Howard "A" (24978) Lease V.W. Hutson (Hoxbar Sand) Field, Montague County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 34. | 09-0309163 (Jennifer Cook) | Breeze Oil, LLC (090706) | Lauderback C (25105) Lease, Montague County Regular Field, Montague County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 35. | 09-0309164 (Jennifer Cook) | Breeze Oil, LLC (090706) | Maddox, J.WB- 40 Acres (04226) Lease, Montague County Regular Field, Montague County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 36. | 09-0309165 (Jennifer Cook) | Breeze Oil, LLC (090706) | Harris, Tom et al "A" (28442) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 37. | 09-0309166 (Jennifer Cook) | Breeze Oil, LLC (090706) | Harris, T.H. et al (28340) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 38. | 09-0309167 (Jennifer Cook) | Breeze Oil, LLC (090706) | Harris, Tom et al (27978) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 39. | 09-0309168 (Jennifer Cook) | Breeze Oil, LLC (090706) | Grote, F.R. Estate (25429) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 40. | 09-0309169 (Jennifer Cook) | Breeze Oil, LLC (090706) | Dennis, A.JA- (02136) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 41. | 09-0309170 (Jennifer Cook) | Breeze Oil, LLC (090706) | Meador, S.DB- (02097) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 42. | 09-0309171 (Jennifer Cook) | Breeze Oil, LLC (090706) | Meador, S.DC- (02038) Lease, Cooke County Regular Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |

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| | Single Signature P-4 (SP4) (Continued): | | | | |
| 43. | 09-0309172 (Jennifer Cook) | Breeze Oil, LLC (090706) | Goff (26154) Lease, Bulcher (Strawn) Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 44. | 09-0309174 (Jennifer Cook) | Breeze Oil, LLC (090706) | Bowers, Joe (02267) Lease, Bulcher (Strawn) Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 45. | 09-0309175 (Jennifer Cook) | Breeze Oil, LLC (090706) | Goff, G.D. (18666) Lease, Biffle (2560) Field, Cooke County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 46. | 09-0309176 (Jennifer Cook) | Breeze Oil, LLC (090706) | Lauderback (18484) Lease, Montague County Regular Field, Montague County, Texas | Change the Operator of Record from Breeze, James R. (090715) to Breeze Oil, LLC. | |
| 47. | 01-0308639 (Clayton Hoover) | Crossroads Mineral Production, L.L.C. (190711) | Pfeil (14077) Lease, Khan (Austin Chalk) Field, Wilson County, Texas, | Change the Operator from CEI Operating LLC (140718) to Crossroads Mineral Production, L.L.C. | |
| 48. | 7B-0309654 (Kristi Reeve) | Robuck Petroleum LLC (722177) | Daws (30085) Lease, Well No. 1, McKeichan (Caddo) Field, Throckmorton County, Texas | Seeking to Transfer Record Operator from Powell-McCarroll Partnership (674803) to Robuck Petroleum LLC. | |
| | Good Faith Clai | m (GFC): | | | |
| 49. | 6E-0307062 (Jennifer Cook) | Melrose Investments, LLC etal Flint Pipeline Company (273921) | Savannah Butts (06441) Lease, East Texas Field, Rusk County, Texas | Operator does not have a good faith claim to operate the Savannah Butts (06441) Lease, East Texas Field, Rusk County, Texas. | |
| 50. | 6E-0307214 (Jennifer Cook) | Melrose Investments, LLC etal Flint Pipeline Company (273921) | Brady Kennedy (06443) Lease, East Texas Field, Rusk County, Texas | Operator does not have a good faith claim to operate the Mary Brady Kennedy (06443) Lease, East Texas Field, Rusk County, Texas. | |
| 51. | 6E-0307215 (Jennifer Cook) | Melrose Investments, LLC etal Embassy Well Service (250943) | Webb Kennedy (06442) Lease, East Texas Field, Rusk County, Texas | Operator does not have a good faith claim to operate the Webb Kennedy (06442) Lease, East Texas Field, Rusk County, Texas. | |

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| | Good Faith Claim (GFC) (Continued): | | | | |
| 52. | 09-0309485 (Clayton Hoover) | Pro. Energy I Resource, LLC (679296) | Waggoner -Vicki- (12241), Lease, Wilbarger County Regular Field, Wichita County, Texas. | Approve GFC complaint & order plug well. | |
| 53. | 03-0309758 (Clayton Hoover) | Siana Oil & Gas (779259) | Carpenter, Alma (20351) Lease, Nome (S-1) Field, Jefferson County, Texas | Approve GFC complaint & order plug well. | |
| 54. | 03-0309757 (Clayton Hoover) | Siana Oil & Gas (779259) | Carpenter, Alma (03197) Lease, Nome (X Sand) Field, Jefferson County, Texas | Approve GFC complaint & order plug well. | |
| 55. | 03-0309756 (Clayton Hoover) | Siana Oil & Gas (779259) | Carpenter, Alma (18770) Lease, Nome (S-1) Field, Jefferson County, Texas | Approve GFC complaint & order plug well. | |
| 56. | 7B-0309487 (Kristi Reeve) | Harrell, Bob Trucking (359015) | Victoria (29809) Lease, Well No. 2, Group, S. (Ellenburger) Field, Nolan County, Texas | Operator does not have a good faith claim to operate the lease, order the injection permit be cancelled and the well be plugged. | |
| | Motion for Rehe | aring: | | <u> </u> | |
| 57. | 20-0309695 (Lynn Latombe) | Royal Texas Resources Co. (732111) | N/A | Motion for Rehearing. | |
| 58. | 20-0309697 (Lynn Latombe) | Shiloh Operating Company (777303) | N/A | Motion for Rehearing. | |
| 59. | 20-0309694 (Lynn Latombe) | Palo Pinto Bond Company, LLC (637403) | N/A | Motion for Rehearing. | |
| 60. | 20-0309702 (Lynn Latombe) | United Energy Operating, LLC (877206) | N/A | Motion for Rehearing. | |

IT IS ORDERED that each referenced Final Order shall become effective when this Order is signed and that a copy of this Order shall be affixed to each Final Order.

Done in Austin, Texas on April 24, 2018.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN CHRISTI CRADDICK

COMMISSIONER RYAN SITTON

COMMISSIONER WAYNE CHRISTIAN

ATTEST:

SECRETARY