RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 20-0311449

IN RE: P-5 ORGANIZATION REPORT OF BLACK MAC OIL, INC.

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. Black Mac Oil, Inc. [Operator #072693] (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 December 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 Black Mac Oil, Inc.'s P-5 Organization Report is hereby **DENIED.**

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

It is further ORDERED that Black Mac Oil, Inc. 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 Black Mac Oil, Inc. 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 June 05, 2018.)

API	Number Dis	strict	ID Number	Lease Name		Well Number
325	31366 Electricity No approved		disconnecte	WIMBERLY DEV. CORP d (certify on Form	VA- W-3C)	1
325	31367 Electricity No approved	must be	disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	6
325	31421 Electricity No approved	01 must be W-3X on	disconnecte	MCWILLIAMS, GLENN d. (certify on Form	W-3C)	11
325	31425 Electricity No approved		disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	19
325	31564 Electricity No approved		disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	8
325	31565 Electricity No approved	01 must be W-3X on	disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	20
325	31566 Electricity No approved	must be	disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	9
325	31567 Electricity No approved	must be	disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	10
325	31568 Electricity No approved	01 must be W-3X on	disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	12
325	31574 Electricity No approved	01 must be W-3X on	disconnecte	MCWILLIAMS, GLENN d (certify on Form	W-3C)	18
325	31575 Electricity No approved	01 must be W-3X on	disconnecte	MCWILLIAMS, GLENN d (certify on Form		7
325	31582 Electricity No approved		disconnecte	MCWILLIAMS, GLENN d (certify on Form		90
325	31583 Electricity No approved		disconnecte	MCWILLIAMS, GLENN d (certify on Form		95
325	31584 Electricity No approved	01 must be W-3X on	disconnecte	MCWILLIAMS, GLENNed (certify on Form	W-3C)	96

API	Number Dia	strict	ID Number Lease Name	Well Number
325	31585 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	97
325	31586 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	21
325	31587 Electricity No approved	01 must be W-3X on	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	22
325	31588 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	23
325	31589 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	24
325	31590 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	25
325	31591 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	88
325	31592 Electricity No approved	must be	06690 MCWILLIAMS, GLENN disconnected (certify on Form W-3C) file	89
325	31596 Electricity No approved		06677 WIMBERLY DEV. CORPA-disconnected (certify on Form W-3C) file	15
325	31597 Electricity No approved	01 must be W-3X on	06677 WIMBERLY DEV. CORPA-disconnected (certify on Form W-3C) file	16
325	31598 Electricity No approved		06677 WIMBERLY DEV. CORPA-disconnected (certify on Form W-3C) file	17
325	31599 Electricity No approved	01 must be W-3X on	06677 WIMBERLY DEV. CORPA-disconnected (certify on Form W-3C) file	18
325	31600 Electricity No approved		06677 WIMBERLY DEV. CORPA-disconnected (certify on Form W-3C) file	19
325	31601 Electricity No approved	01 must be W-3X on	06677 WIMBERLY DEV. CORPA-disconnected (certify on Form W-3C) file	12

API	Number Dis	strict	ID Number	Lease Name	Well Number
325	31602 Electricity No approved	01 must be W-3X on	disconnected	WIMBERLY DEV. CORPA- (certify on Form W-3C)	20
325	31604 Electricity No approved	must be	disconnected	WIMBERLY DEV. CORPA- (certify on Form W-3C)	22
325	31605 Electricity No approved	01 must be W-3X on	disconnected	WIMBERLY DEV. CORPA- l (certify on Form W-3C)	. 11
325	31606 Electricity No approved	01 must be W-3X on	disconnected	WIMBERLY DEV. CORPA- l (certify on Form W-3C)	13
325	31607 Electricity No approved	must be	disconnected	WIMBERLY DEV. CORPA- l (certify on Form W-3C)	14
325	31608 Electricity No approved	01 must be W-3X on	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	100
325	31609 Electricity No approved	01 must be W-3X on	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	99
325	31610 Electricity No approved	must be	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	98
325	31611 Electricity No approved	must be	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	91
325	31612 Electricity No approved	01 must be W-3X on	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	92
325	31613 Electricity No approved	01 must be W-3X on	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	93
325	31614 Electricity No approved	01 must be W-3X on	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	94
325	32589 Electricity No approved	01 must be W-3X on	disconnected	MCWILLIAMS, GLENN d (certify on Form W-3C)	101A
325	32778 Electricity No approved	01 must be W-3X or	disconnecte	MCWILLIAMS, GLENN d (certify on Form W-3C)	102

API	Number D:	strict	ID Number	Lease Name	Well	Number
325	33477 Electricity No approved	must be	12302 disconnected file	ADKINS d (certify on Form W-3C)		50
325	33478 Electricity No approved	must be	12302 disconnected file	ADKINS d (certify on Form W-3C)		57
325	33479 Electricity No approved	01 / must be W-3X on	12302 disconnected file	ADKINS d (certify on Form W-3C)	٠	59
325	33481 Electricity No approved	must be		ADKINS d (certify on Form W-3C)		87
325	33482 Electricity No approved	must be	12302 disconnected file	ADKINS d (certify on Form W-3C)		91
325	33483 Electricity	01 7 must be 1 W-3X on	12302 disconnected file	ADKINS d (certify on Form W-3C)		93
325	33484 Electricity	must be		ADKINS d (certify on Form W-3C)		55
325	33485 Electricity			ADKINS d (certify on Form W-3C)		53
325	33486 Electricity	y must be	12302 disconnecte file	ADKINS d (certify on Form W-3C)		89
325	33488 Electricity	y must be	12302 disconnecte file	ADKINS d (certify on Form W-3C)		92
325	33489 Electricity			ADKINS d (certify on Form W-3C)		88
325	33490 Electricit No approve			ADKINS d (certify on Form W-3C)		90
325	33491 Electricit No approve	01 y must be d W-3X or	12302 disconnecte file	ADKINS d (certify on Form W-3C)		56
325	33492 Electricit No approve			ADKINS d (certify on Form W-3C)		54

API	Number	District		ID Number	Lease Name	9			Well	Numbe
325	33493 Electrici No approv	ty must	be on	12302 disconnected file	ADKINS l (certify	on	Form	W-3C)		52
325	33494 Electrici No approv	ty must		12302 disconnected file	ADKINS l (certify	on	Form	W-3C)		51
325	33495 Electrici No approv	ty must.	be on	disconnected		on	Form	W-3C)	*	94
325	33496 Electrici No approv			12302 disconnected file		on	Form	W-3C)		95
325	33497 Electrici No approv	ty must		disconnected		on	Form	W-3C)		96
325	33501 Electrici No approv	ty must	be on	12302 disconnected file		on	Form	W-3C)		72
325	33502 Electrici No approv			12302 disconnected file		on	Form	W-3C)		71
325	33503 Electrici No approv	ty must		12302 disconnected file		on	Form	W-3C)		70
325	33504 Electrici No approv			12302 disconnected file	ADKINS d (certify	on	Form	W-3C)		69
325	33505 Electrici No approv	ty must	be on	disconnected		on	Form	W-3C)		68
325	33511 Electrici No approv	01 ty must red W-3X	be on	12302 disconnected file	ADKINS d (certify	on	Form	W-3C)	:	110
325	33512 Electrici No approv			12302 disconnected file		on	Form	W-3C)	;	109
325	33513 Electrici No approv			12302 disconnected file		on	Form	W-3C)		130
325	33514 Electrici No approv	01 ty must red W-3X	be on	12302 disconnecte file		on	Form	W-3C)		131

API	Number Dis	strict	ID Number Lease Name	Well Number
325	33515 Electricity No approved		12302 ADKINS disconnected (certify on Form W-3C) file	151
325		must be	12302 ADKINS disconnected (certify on Form W-3C) file	152
325	33577 Electricity No approved	must be	12302 ADKINS disconnected (certify on Form W-3C) file	. 58

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Exhibit A