

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0314010**

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**IN RE: P-5 ORGANIZATION REPORT OF FRONT STREET OPERATING, LLC**

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**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. Front Street Operating, LLC [Operator #287095] (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 February 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 Front Street Operating, LLC's P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that Front Street Operating, 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 Front Street Operating, 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 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 August 21, 2018.)

API Number	District	ID Number	Lease Name	Well Number
095 30106	7C	06487	CARTER, R. L. Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	3
095 30148	7C	06487	CARTER, R. L. Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	4
095 30165	7C	06487	CARTER, R. L. Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	5
095 30388	7C	06493	CARTER, R. L. -B- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	6
095 30422	7C	06487	CARTER, R. L. Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	8
095 30423	7C	06493	CARTER, R. L. -B- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	9
095 30441	7C	06493	CARTER, R. L. -B- Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	10
095 30498	7C	03602	CARTER, R. L. "A" Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	13 U
095 30630	7C	06493	CARTER, R. L. -B- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	11
095 32307	7C	03602	CARTER, R. L. "A" Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	1A
235 00471	7C	06991	SKELLY-SUGG "45" Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	1
235 10312	7C	05563	ATKINSON, VERNA Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	1
235 30018	7C	05563	ATKINSON, VERNA No approved W-3X on file	6
235 30619	7C	06902	FARMER -56- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	1

Docket No. 20-0314010  
**Exhibit A**

API Number	District	ID Number	Lease Name	Well Number
235 30730	7C	06902	FARMER -56- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	2
235 30773	7C	07207	FARMER -57- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	1
235 31180	7C	07373	FARMER "44" Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	1
235 31181	7C	07207	FARMER -57- No approved W-3X on file	2
235 31191	7C	06902	FARMER -56- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	3
235 31237	7C	07207	FARMER -57- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	4
235 31239	7C	07207	FARMER -57- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	3
235 31259	7C	07373	FARMER "44" No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	2
235 31274	7C	06902	FARMER -56- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	4
235 31284	7C	07207	FARMER -57- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file Must resolve Field Operations H-15 failure preventing 14(B)(2) approval	6
235 31286	7C	06902	FARMER -56- Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	5
235 31295	7C	07373	FARMER "44" No approved W-3X on file	4
235 31297	7C	07207	FARMER -57- Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	8
235 31301	7C	06902	FARMER -56- Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	6

Docket No. 20-0314010

Exhibit A

API Number	District	ID Number	Lease Name	Well Number
235 31339	7C	07779	FARMAR "44-10"	1
			Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	
235 31373	7C	06991	SKELLY-SUGG "45"	2
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
235 31443	7C	08089	FARMER "43-10"	1
			Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	
235 31519	7C	08089	FARMER "43-10"	2
			Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	
235 31644	7C	08089	FARMER "43-10"	3
			Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	
235 32213	7C	05563	ATKINSON, VERNA	8
			No approved W-3X on file	
235 32475	7C	11377	ATKINSON, VERNA	10
			No approved W-3X on file	
235 32697	7C	05563	ATKINSON, VERNA	11
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	

Docket No. 20-0314010  
**Exhibit A**