

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**SURFACE MINING DOCKET NO. C18-0003-SC-33-F  
APPLICATION BY SABINE MINING COMPANY  
FOR RELEASE OF PHASE I, II AND III RECLAMATION OBLIGATIONS  
FOR 191.1 ACRES, AND PHASE II AND III, 36.9 ACRES  
PERMIT NO. 33H, SOUTH HALLSVILLE NO.1 MINE  
HARRISON COUNTY, TEXAS**

**ORDER APPROVING RELEASE OF PHASE I, II AND III RECLAMATION  
OBLIGATIONS FOR 191.1 ACRES AND PHASE II AND III FOR 36.9 ACRES**

Statement of the Case

The Sabine Mining Company, 6501 Farm Road 968 West, Hallsville, Texas 75650-7413 applied to the Railroad Commission of Texas (Commission), Surface Mining and Reclamation Division, for a release of Phases I, II and III reclamation obligations for 228.0 acres within the South Hallsville No. 1 located in Harrison County, Texas. The application is made pursuant to the Texas Surface Coal Mining and Reclamation Act, TEX. NAT. RES. CODE ANN. CH. 134 (Vernon Supp. 2018) (Act), and the "Coal Mining Regulations," Tex. Railroad Comm'n, 16 TEX. ADMIN. CODE CH. 12 (Thomson West 2018) (Regulations).

Permit No. 33H currently authorizes surface coal mining and reclamation operations at Sabine Mining Company's (Sabine) South Hallsville No.1 Mine, within its 44,401-acre permit area. No comments or requests for hearing were filed following public notice. The only parties to the proceeding are Sabine and the Commission's Surface Mining and Reclamation Division (Staff). There remain no outstanding issues between the parties. After the filing of the application, Sabine and Staff concurred that, as 36.9 of the requested acres had already received Phase I release of reclamation obligations, the Applicant seeks only Phase II and III release for those acres. Based on the information provided by the applicant, Staff analyses, and the inspection of the area, Staff recommends release of reclamation obligations for all 228.0 acres requested in the application. The parties have filed waivers of preparation and circulation of a proposal for decision.

After consideration of the application and the Findings of Fact and Conclusions of Law, the Commission approves the release of reclamation obligations as recommended by Staff. Sabine has not requested an adjustment to its accepted reclamation bond instruments at this time and no new bond has been submitted; however, an eligible bond reduction amount may be

determined. The Commission approves an eligible bond reduction amount of \$178,820.40 as calculated by Staff.

### **FINDINGS OF FACT**

Based on the evidence in the record, the following Findings of Fact are made:

1. By letter dated October 12, 2017, Sabine Mining Company (Sabine) filed its application (Application) with the Railroad Commission of Texas' (Commission) Surface Mining and Reclamation Division (SMRD and/or Staff) for a release of Phases I, II, and III reclamation obligations for 228 acres located within the South Hallsville No. 1 Mine, Permit No. 33H, located in Harrison County, Texas. Permit No. 33H was most recently renewed by the Commission on December 13, 2011 (Docket No. C8-0027-SC-33-C). In its initial Technical Analysis (TA) dated June 25, 2018, Staff noted that 36.9 of the requested acres had already received Phase I release of reclamation obligations by order dated September 29, 2009. The Applicant concurred by letter dated July 9, 2018 that it seeks only Phase II and III release for the 36.9 acres and seeks Phase I, II, and III release on 191.1 acres. Based on the information provided by the applicant, Staff analyses, and the inspection of the area, Staff recommends release of reclamation obligations for all 228.0 acres requested in the application. The parties have filed waivers of preparation and circulation of a proposal for decision.
2. The Application is made pursuant to the Texas Surface Coal Mining and Reclamation Act, TEX. NAT. RES. CODE ANN. CH. 134 (Vernon Supp. 2018) (Act), and the "Coal Mining Regulations," Tex. Railroad Comm'n, 16 TEX. ADMIN. CODE CH. 12 (Thomson West 2018) (Regulations). The Application was properly certified in accordance with § 12.312(a)(3). No fee is required for this Application.
3. The Application was filed with the Hearings Division by letter dated October 17, 2017. By letters dated October 23 and 26, 2017, the Administrative Law Judge (ALJ) reviewed the draft public notice submitted by Sabine with its application. On November 3, 2017, Sabine

submitted a revised draft public notice, which the ALJ approved for publication by letter dated November 6, 2017. Staff declared the Application Administratively Complete by letter dated December 14, 2017.

4. Staff filed its initial Technical Analysis (TA) and the December 18, 2017 Field Inspection Report (Inspection Report) by letter dated June 25, 2018. In the initial TA, staff indicated that the requirements for Phase I release for 191.1 acres were satisfied and that 36.9 acres had previously received Phase I release. Staff did not recommend Phase II or III release on the proposed 228 acres, citing surface water and monitoring well transfer concerns. In response to the initial TA, Sabine filed its first supplement on July 25, 2018, providing additional information intended to address Staff's concerns. In response, Staff filed TA Addendum No. 1 on September 28, 2018, noting outstanding concerns regarding the contents of an applicant exhibit. Sabine filed its second supplement on October 12, 2018. Upon review of the second supplement, Staff issued TA Addendum No. 2 on October 23, 2018, recommending approval of the requested Phase I, II, and III releases with no outstanding comments.
5. The existing reclamation bonds for Permit No. 33H, two self-bonds with third-party guarantors, total \$75,000,000. The most recent Commission action regarding bonding of Permit No. 33H was an approval of an additional bonding instrument in the amount of \$10,000,000 (Docket No. C12-0012-SC-33-D). The additional bonding instrument was required to supplement the existing \$65,000,000 (Docket No. C7-0024-SC-E) bond due to an increase in the reclamation cost estimate for Permit 33H. Southwestern Electric Power Company (SWEPCO) is the bound guarantor for both bonds that were accepted by Commission Orders dated August 14, 2007, and May 8, 2012, respectively. Sabine does not request a reduction in the amount of the reclamation bond instruments in this application.
6. Copies of the Application were filed for public review, in compliance with notice requirements, at the main office of the Railroad Commission of Texas at 1701 North

Congress, William B. Travis Building, Austin, Texas, and in the office of the Harrison County Clerk in Marshall, Texas.

7. Notice of application was published once a week for four consecutive weeks in the *Marshall News Messenger* circulated in Harrison County on November 9, 16, 23 and 30, 2017. The newspaper is a paper of general circulation in the area of the proposed bond release request area, Harrison County. The notice of application contains all information required by the Act and Regulations for notice of an application requesting bond release. The published notice is adequate notification of the request for release. The notice includes the elements required by §134.129 of the Act and §12.312(a)(2) of the Regulations: the name of the permittee, the precise location of the land affected, the number of acres, permit number at the time of application and date approved, the amount of bond approved, the type and appropriate dates reclamation work was performed, and a description of the results achieved as they relate to the approved reclamation plan. The notice contains information on the applicant, location and boundaries of the permit area, the Application's availability for inspection, and the address to which comments should be sent. Sabine submitted proof of publication to the Commission by letter dated December 5, 2017.
8. Sabine sent notice of the Application to owners of interests within and adjacent to the areas requested for release. Sabine also sent notice to local governmental bodies, planning agencies, sewage and water treatment authorities and water companies in the locality as required by §12.312(a)(2) of the Regulations. Sabine mailed notice to the County Judge and Commissioners' Court of Harrison County, the Natural Resources Conservation Service's local office in Paris, Texas, the Texas Commission on Environmental Quality, the Texas Department of Transportation, the U.S. Army Corps of Engineers' District Office in Fort Worth, the Texas General Land Office, the Sabine River Authority of Texas, the Texas Parks and Wildlife Department, the US Fish and Wildlife Ecological Service, the Environmental Protection Agency's District Office in Dallas, the Texas Soil and Water Conservation Board's district office in Marshall, West Harrison

Water Supply, Panola Harrison Electric Cooperative, Southwestern Electric Power Company (SWEPCO), and to several lessees. The areas requested for release are not located within the territorial boundaries of any municipality that would be notified pursuant to §12.313(c) of the Regulations. Copies of the notification letters were filed with the Commission on December 5, 2017.

9. Staff provided notification of the Application by certified letter dated January 9, 2018, to the Harrison County Judge. Mailing of notification was provided at least 31 days prior to the date of consideration of the docket by the Commission in accordance with §134.133 of the Act. A copy of the letter was provided in Attachment II of Staff's TA.
10. No adverse comments or written objections were filed regarding the request for release pursuant to the notification. No requests for hearing or informal conference were filed pursuant to §12.313(d).
11. Pursuant to §12.312(b) of the Regulations, Staff notified owners of interests in lands and lessees of the application for release and the Office of Surface Mining Reclamation and Enforcement, Tulsa Field Office (OSM) by letters dated October 18, 2017, of the date and time of Staff's field inspection scheduled for November 7, 2017. The notification stated that a release had been requested and, pursuant to §12.312(b)(1), advised them of the opportunity to participate in the on-site inspection. Staff provided copies of the letters in Appendix II within Attachment III (Inspection Report) of the TA.
12. The inspection occurred on November 7, 2017, as scheduled. Two Commission inspectors, three representatives from Sabine, and one representative of OSM attended the field inspection. The Inspection Report found that the proposed release area was eligible for the requested releases, pending Staff review.
13. The 44,401-acre permit area is located approximately three miles southeast of Hallsville, Texas. The permit area is bordered to the north by U.S. Interstate 20. A general location

map of the permit area, with the 228 total acres proposed for release distinguished, is found in Appendix I of Staff's Inspection Report.

14. The 228 acres proposed for release are comprised of one parcel located in the K Area of the mine and are north of Farm-to-Market Road 2625, with a portion of the southern boundary of the area adjoining the road.
15. The 228-acre proposed bond release area was proposed as industrial/commercial (I/C) land use by letter dated May 12, 2016, and supplemental letter dated September 19, 2016. This land use was approved by SMRD letter dated September 22, 2016 as Permit Revision No. 47. Sabine intends to use the area for fly ash disposal. The 191.1-acre proposed Phase I-III release area and the 36.9-acre Phase II-III release area are depicted on a map provided in Attachment I of Staff's TA. Photographs of the area taken during Staff's field inspection are included in Appendix IV of the TA.
16. Based upon the Application and Staff's review, the requirements for backfilling, regrading, and drainage control pursuant to §12.312(a)(1) of the Regulations have been met for the 191.1 acres requested for Phase I release:
  - (a). The area requested for Phase I release is stable with no active erosion evident. Sabine placed the backfill material in a manner as to minimize erosion and water pollution and to support the postmine land use of I/C. [§12.384].
  - (b). Mining operations were conducted between 1998 and 1999. Final grading of the proposed area, including construction of diversion ditches, swales, and erosion and sediment control structures, was accomplished between 1998 and 2000. The Inspection Report reflects that Sabine has regraded the area to its approximate original contour, eliminated all highwalls, placed suitable plant growth material, and has not constructed any cut-and-fill terraces. [§12.385].

- (c). The proposed release area includes all or portions of sixty-eight (68) soil-testing grids. Sabine submitted initial soil sample results to the Commission by letters dated January 31, 2002, January 31, 2003, February 2, 2004, January 27, 2005, January 26, 2006, January 31, 2007, June 15, 2007 and February 26, 2008 (supplemented by letter dated March 4, 2008). By letters dated June 4, 2002, November 14, 2003, January 24, 2005, August 19, 2005, August 1, 2006, May 10, 2007, June 29, 2007 and August 28, 2008, SMRD determined that the results of this data indicate that the area is covered by a minimum of four feet of suitable material and do not indicate the presence of acid- and/or toxic-forming materials. [§12.386].
- (d). There are three permanent structures in the proposed Phase I release area, including two sedimentation ponds, K1 and K11, and one road, the K Area Access Road. The ponds were approved by SMRD as permanent structures by letters dated August 23, 2006 and April 26, 2017, respectively. The K11 pond, consistent with the approval letter dated April 26, 2017, includes a spillway that discharges through a low-water crossing into the K11 Spillway Drop Channel. The K Area Access Road was approved by SMRD as a permanent structure by letters dated February 11, 2015 and April 26, 2017. These structures are shown in Photographs No. 1 through 11 in Appendix IV to the TA. [§12.341].
- (e). All surface water from the proposed Phase I release area flows into approved sedimentation ponds, including the K1 and K11 ponds within the release area and ponds K2, K3, and K5, located within the permit area and outside the proposed release area. Staff's Inspection Report found all drainage features and their appurtenances to be structurally intact and stable. [§12.344].

- (f). There are presently no waste disposal sites within the proposed Phase I release area. Much of the proposed release area is included in an approved Texas Commission on Environmental Quality Industrial Solid Waste Registration, SWR 33240, held by American Electric Power. [§12.375].
17. Based upon the Application and Staff's review, the requirements under §12.313(a)(2) of the Regulations of the establishment of revegetation and that discharges from the area not contribute suspended solids to streamflow or runoff outside the permit area in excess of the requirements set by §12.092(a)(10) of the Act and Subchapter K of the Regulations, have been met for the 228 acres proposed for Phase II release.
- (a). No silt dams are present within the area proposed for Phase II release.
  - (b). No rills or gullies were present within the area requested for Phase II release that would require repair. The areas have been stabilized to reduce the potential for contributing suspended solids to streamflow.
  - (c). No prime farmland, for which additional requirements would be applicable, are located within the areas requested for release. [§§12.620 – 12.625].
  - (d). Revegetation has been established on the 228-acre area requested for Phase II release consistent with I/C land use, in accordance with §12.313(a)(2) of the Regulations. Permanent vegetation, including Loblolly pine, Longleaf pine, Bahiagrass, Common bermudagrass, Switchgrass, Indiangrass, and Sericea lespedeza, was planted from 2000 to 2001. Sabine submitted a groundcover and stem-count for the proposed release area on September 26, 2017. By letter dated November 14, 2017, SMRD confirmed the groundcover in the area is adequate to control erosion. [§12.395].
  - (e). Although soil fertility data are not required for I/C land use, Staff notes in its TA that that initial minesoil sampling was conducted in accordance with the permit approved at the time of sampling, that all data have been approved by the



Commission, and that data for the 68 soil grids within the proposed Phase I release area were sampled from 2000 to 2006 and have all met suitability requirements.

- (f). As set out in Finding of Fact No. 18(c), the 228-acre area proposed for Phase II and III release is not contributing excess solids to streamflow or runoff outside the permit area in excess of effluent limitations set out in the water quality permit or in excess of stream segment standards.
18. Sabine has successfully completed all surface coal mining and reclamation activities for the 228 total acres requested for Phase III release. Requirements for the completion of vegetative standards have been met. The completion of an Extended Responsibility Period is not required for I/C land use. Staff has approved all structures within the areas as permanent. Surface water and groundwater within and adjacent to areas have been protected in accordance with §§12.313(a)(3), 12.348 and 12.349 of the Regulations.
- (a). The three structures in the 228 proposed release area are contained in the 191.1 area proposed for Phase I release, are described in paragraph 16(d), *supra*, and have been approved as permanent, as noted.
  - (b). Sabine has conducted surface mining activities on the 228 acres requested for Phase III release to protect groundwater resources in accordance with §12.313(a)(3).
    - (i). In addressing the requirements of §12.348, Sabine has submitted groundwater monitoring data for the overburden, spoil, and underburden aquifers within and adjacent to the proposed Phase III release area. Groundwater monitoring has been performed in accordance with the provisions of the approved permit. Long-term groundwater monitoring records have been reviewed by Staff on a quarterly basis.

- (ii). In support of its application, Sabine submitted its 2017 Ground-Water and Surface Water Assessment on May 2, 2017. The assessment was reviewed by Staff by letter dated August 28, 2017. Staff found the assessment to satisfactory demonstrate that the surface-water and ground-water hydrologic balance had been protected in the proposed Phase III release area. In the assessment, SMC provided data for 50 long-term ground-water monitoring (LTGM) wells, including 19 overburden wells, 13 underburden wells, and 18 spoil wells.
  
- (iii). Data from the overburden wells showed no significant impacts to water levels. Where drops in water levels were observed, they were temporary and attributable to seasonal fluctuations and climactic variations. The data from these wells additionally showed no significant deterioration in water quality. The report contains a tabulation of analytical data for the period of record (POR) through 2016 for each LTGM well and is accompanied by a graph showing trends for the water-table elevation and total dissolved solids (TDS) concentrations in each well during the POR. TDS concentrations in native overburden aquifers in the undisturbed areas range from about 1 mg/L to 1,128 mg/L, with a median concentration of 220 mg/L. Values of pH for the South Hallsville Area wells range from 2.9 to 11.9 s.u., with a median pH of 6.5 s.u. Sulfate concentrations range from 1 mg/L to 680 mg/L, with a median concentration of 35.5 mg/L. One well located on the northwestern edge of K Area, adjacent to a tributary of Hatley Creek, well PZ-13R3U, shows a rising trend in TDS concentration indicating a localized area of water movement from the reclaimed spoil mass into the adjacent native overburden; however, the overburden in this area is not a used ground-water source. No substantive impacts to water quality in overburden wells have been observed that can be attributed to the mining activities.

- (iv). Data from underburden wells in areas adjacent to the proposed release areas show no substantive changes to water level and water quality in the underburden. None of the underburden monitoring wells have shown a reduction of the potentiometric surface during mining. These data demonstrate that no adverse impacts to water quantity or quality have occurred to the underburden resources.
  - (v). Available water-level data for the spoil monitoring wells show that most mine areas are nearly fully saturated. Although spoil monitoring wells in the reclaimed area generally exhibit higher concentrations of Total Dissolved Solids (TDS) than in undisturbed areas, these increases were expected in the approved probable hydrologic consequences (PHC) determination and the cumulative hydrologic impact assessment (CHIA) for the mine.
- (c). Sabine has conducted surface mining activities in accordance with §12.313(a)(3) and §12.349 to protect surface water quality and quantity for the acreage proposed for Phase III release.
  - (i). Staff's review of sedimentation pond data and Long-Term Surface Monitoring (LTSM) data demonstrates that no negative impacts to water quality are anticipated from flows leaving the proposed release area and that surface water quality has been protected.
  - (ii). Runoff from disturbed areas is monitored under Texas Pollutant Discharge Elimination System (TDPEs) Permit No. 02538, applicable stream segment criteria, and provisions outlined in the approved long-term surface water monitoring program in Permit No. 33H. Runoff drains into Texas Commission on Environmental Quality (TCEQ) Stream Segment No. 0505 (Sabine River Above Toledo Bend Reservoir). Drainage from the proposed Phase III release area flows into five sedimentation ponds: K1, K2, K3, K5, and K11. Pond K11 drains to Stream Segment No. 0505 through Hatley

Creek. The remaining ponds drain to Stream Segment No. 0505 through Brady Branch. In the assessment, Sabine provides water quality data for eight long-term surface-water monitoring (LTSM) stations and six baseline stations. The LTSM stations included upstream and downstream pairs for Hatley Creek (HC-1 and HC-2), Hardin Creek (HDC-1 and HDC-2), Rodgers Creek (RC-1 and RC-2), and an unnamed tributary of Clarks Creek (UNT-1 and UNT-2). The baseline stations were located on Hatley (H-1 and H-2), Clarks Creek (C-1 and C-2), and the Sabine River (S-1 and S-2). Data included measurements of acidity (pH), TDS, total suspended solids (TSS), total iron (Fe), and total Manganese (Mn). For this docket, Staff's evaluation focused primarily on the assessment of LTSM Stations HC-1 and HC-2, which were sampled for pH, TDS, TSS, total Fe, and total Mn.

- (iii). A comparison of data from the baseline monitoring stations on Hatley Creek and on the unnamed tributary to Clarks Creek with the corresponding LTSM stations shows that pH and TDS, Total Fe and Total Mn concentrations are similar. The Sabine River baseline monitoring station data also show that average pH and TDS, Total Fe and Total Mn concentrations are similar to the LTSM stations.
- (iv). All the trend graphs for LTSM stations show pH concentrations within the range of 6.0 to 8.5 s.u., which is within the stream segment range criterion. Trend graphs for the LTSM stations for TDS concentrations show LTSM Stations HC-1, UNT-A and UNT-B with all concentration for the period of record below the stream segment criterion (400 mg/L). Trend graphs for the LTSM stations for TDS concentrations show LTSM Station HC-1 with only four data points above the stream segment criterion, Stations HDC-1 and HDC-2 with only one data point above the stream segment criterion, Station RC-1 with two data points above the stream segment criterion, and Station RC-2 with three data points above the stream segment criterion.

- (v). Sabine provided data for Ponds K1, K2, K3, K5, and K11 measuring pH, Total Settleable Matter (TSM), and flow. The available data indicates compliance with TDPEs effluent criteria and does not indicate any unusual trends.
  - (vi). Staff compared the average TDS concentrations for the LTSM stations on Hatley Creek, Hardin Creek, Rodgers Creek and the unnamed tributary to Clarks Creek to the approved Cumulative Hydrologic Impact Assessment (CHIA) for the mine and the small changes to surface-water quantity available for downstream users, concluding that the hydrologic balance has been maintained. This conclusion was based, in part, on Staff's finding in the CHIA, which indicates that at Mass-Balance Location No. 6, TDS concentrations were anticipated to be greater, predicting a TDS concentration up to 165 mg/L. The highest average TDS concentrations for any of the LTSM stations is 226 mg/L, occurring at LTSM Station HC-1, which is an undisturbed station. This average concentration is still lower than the stream segment criterion of 400 mg/L. Staff also indicated in its CHIA that the physical changes projected within the reclaimed areas of the mines will cause small changes in the quantity of surface water available to downstream users. Staff also indicated that losses due to evapotranspiration would be negligible when compared to the entire Sabine River Basin cumulative impact drainage area (CIDA).
- 19. Four groundwater monitoring wells (AW-10L, AW-10U, AW-9L, and AW-9U) remain within the proposed Phase III release area. These wells have been transferred to the landowner, Southwestern Electric Power Company (SWEPCO), the transfer having been approved by Staff letter dated September 7, 2018. [§12.333].
  - 20. The areas requested for release of reclamation obligations are capable of sustaining the postmine land use. Monthly inspections and Staff's inspection on December 18, 2017, demonstrate that the land has been reclaimed to and managed in accordance with the approved I/C postmine land use.

21. The reclamation cost estimate for the currently accepted bond is based on the "worst-case" pit method of calculation that assumes that reclamation is contemporaneous. SMRD approved the most recent bond-map revision (Revision No. 45) by letter dated June 30, 2016. The approved reclamation cost estimate is \$51,249,772. All acres proposed for release are eligible for release of bond in the amount of \$713 per acre according to calculations by SMRD. If the application is approved by the Commission, as proposed, Sabine would be eligible to reduce its performance bond obligations by \$178,820.40 (\$713 per acre on 228 acres, plus a 10% administrative fee of \$16,256.40), as shown in the following table:

**Bond Reduction as Proposed**

<b>Phase Requested</b>	<b>Area Acres</b>	<b>Disturbance Category</b>	<b>Bonded Per Acre</b>	<b>Eligible Reduction Per Acre</b>	<b>Eligible Reduction</b>
Phase I, II, & III	191.1	Mined	\$713.00	\$713.00	\$136,254.30
Phase II & III	36.9	Mined	\$713.00	\$713.00	\$26,309.70
<b>Subtotal</b>	<b>228.0</b>				<b>\$162,564.00</b>
Admin. Costs (10%)					\$16,256.40
<b>Total</b>	<b>228.0</b>				<b>\$178,820.40</b>

22. The eligible bond reduction amount, based upon the Findings of Fact contained in this Order and Staff calculations, with which Sabine agrees, is \$178,820.40. No reduction of the \$10,000,000 and \$65,000,000 self-bonds with third-party guarantors, approved by Orders dated May 8, 2012, and August 14, 2007, respectively, is requested in this application. No replacement bond instrument has been filed.
23. All acres requested for release were marked in the field to distinguish them from active mining and reclamation areas.

24. Sabine and Staff, the only parties to the proceeding, filed waivers of the preparation and circulation of a proposal for decision. The proposed order was circulated to the parties with opportunity for comment.
25. Open meeting notice has been posted for Commission consideration of this application in accordance with TEX. GOV'T CODE ANN. CH. 551 (Vernon Supp. 2018).

### **CONCLUSIONS OF LAW**

Based on the above Findings of Fact, the following Conclusions of Law are made:

1. Proper notice of application and notice of consideration by the Commission has been provided for this request for release of reclamation obligations.
2. No public hearing was requested, and none is warranted.
3. Sabine has complied with all applicable provisions of the Act and the Regulations regarding notice for Commission jurisdiction to attach to allow consideration of the matter.
4. Sabine has complied with all applicable provisions of the Act and the Regulations for the acreage requested for release as set out in the Findings of Fact.
5. The Commission may approve a release of Phase I, II, and III reclamation obligations for the 191.1 acres, and a release of Phase II and III reclamation obligations for the 36.9 acres as set out in the above Findings of Fact and Conclusions of Law.
6. Pursuant to the Commission's authority for inspection and evaluation of release applications, the Commission may order that Sabine continue marking the area approved for release so that Staff mapping and tracking will be efficient.

7. An eligible bond reduction amount of \$178,820.40 for use in reclamation cost estimates may be determined.

**IT IS THEREFORE ORDERED BY THE RAILROAD COMMISSION OF TEXAS** that the above Findings of Fact and Conclusions of Law are adopted;

**IT IS FURTHER ORDERED** a release of Phase I, II, and III reclamation obligations for 191.1 acres and a release of Phase II and III reclamation obligations for 36.9 acres is hereby approved;

**IT IS FURTHER ORDERED** that all areas released from reclamation obligations shall remain clearly marked in the field with permanent boundary markers maintained to distinguish these areas at all corners and angle points from active mining and reclamation areas in accordance with this Order;

**IT IS FURTHER ORDERED** that the current bond remains in effect in accordance with its terms until a replacement bond is approved by the Commission;

**IT IS FURTHER ORDERED** the Commission approves an eligible bond reduction amount of \$178,820.40;

**IT IS FURTHER ORDERED** that the Commission may vary the total amount of bond required from time to time as affected land acreage is increased or decreased or where the cost of reclamation changes; and



**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 is 100 days from the date the Commission Order is signed.

**SIGNED this 11<sup>th</sup> day of December, 2018.**

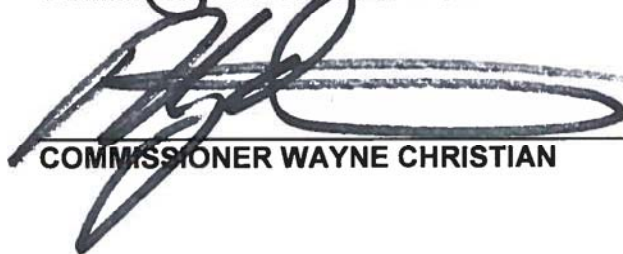
**RAILROAD COMMISSION OF TEXAS**



CHAIRMAN CHRISTI CRADDICK

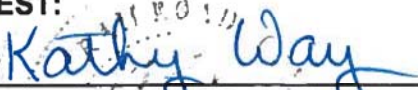


COMMISSIONER RYAN SITTON



COMMISSIONER WAYNE CHRISTIAN

**ATTEST:**



Secretary, Railroad Commission of Texas