

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 09-0317588**

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**APPLICATION OF LINCOLN ENERGY PARTNERS, LLC. (OPERATOR NO. 500827) TO SUPERSEDE A PORTION OF THE FINAL ORDER IN OIL & GAS DOCKET NO. 09-0309485: COMPLAINT BY DEBRA ATNIP THAT PRO. ENERGY I RESOURCE, LLC (OPERATOR NO. 679296) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE WAGGONER -VICKI- (12241) LEASE, WILBARGER COUNTY REGULAR FIELD, WICHITA COUNTY, TEXAS; AND SINGLE SIGNATURE P-4 FILING TO CHANGE THE RECORD OPERATOR FROM PRO. ENERGY I RESOURCE, LLC TO LINCOLN ENERGY PARTNERS, LLC.**

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**FINAL ORDER**

The Railroad Commission of Texas ("Commission" or "RRC") finds that Applicant Lincoln Energy Partners, LLC. (Operator No. 500827) ("Lincoln") proved that it is in the public interest to supersede the plugging order contained in the Final Order issued in Oil & Gas Docket No. 09-0309485: Complaint by Debra Atnip that Pro. Energy I Resource, LLC (Operator No. 679296) Does Not Have a Good Faith Claim to Operate the Waggoner -Vicki- (12241) Lease, Wilbarger County Regular Field, Wichita County, Texas. Having been duly submitted to the Railroad Commission of Texas at a conference held in its offices in Austin, Texas, the Commission makes the following findings of fact and conclusions of law.

**FINDINGS OF FACT**

1. At least twenty days' notice was given to Pro. Energy I Resource, LLC (Operator No. 679296), ("Pro. Energy"), and Lincoln Energy Partners, LLC. (Operator No. 500827), ("Lincoln").
2. Pro. Energy is the operator of record for the Waggoner -Vicki- (12241) Lease, Wilbarger County Regular Field, Wichita County, Texas.
3. On January 10, 2019, Lincoln submitted to the Commission a single signature Commission Form P-4 *Certificate of Compliance and Transportation Authority*, along with an Oil and Gas Lease, seeking, pending approval of this Order, to be designated as the operator of record for the subject Lease and Wells.
4. All Commission correspondence to Pro. Energy was sent via United States Postal Service first-class mail to Pro. Energy's address of record, as set forth on Pro. Energy's most recent Form P-5 *Organization Report*.

5. All Commission correspondence to Lincoln was sent via United States Postal Service first-class mail to Lincoln's address of record, as set forth on Lincoln's most recent Form P-5 *Organization Report*.
6. On or about January 22, 2019, the Administrative Law Judge requested in writing that Pro. Energy either: (1) provide evidence that it holds a good faith claim to a continuing right to operate the referenced property; or (2) request a hearing on the matter on or before February 22, 2019. This writing expressly notified the operator that failure to timely request a hearing would constitute waiver of the opportunity to request a hearing on the matter.
7. The Wells on the Lease ordered plugged in the Final Order in Oil & Gas Docket No. 09-0309485 have not been plugged.
8. Pro. Energy's Form P-5 is delinquent. Pro. Energy had a \$50,000.00 cash deposit as its financial assurance at the time of the last Form P-5 annual renewal submission.
9. Lincoln's Form P-5 is active. Lincoln has current financial assurance in the form of a bond in the amount of \$50,000.00.
10. A "good faith claim" is defined in Commission Statewide Rule (15)(a)(5) as "a factually supported claim based on a recognized legal theory to a continuing possessory right in the mineral estate, such as evidence of a currently valid oil and gas lease or a recorded deed conveying a fee interest in the mineral estate."
11. Pro. Energy failed to reply to the Administrative Law Judge's letter dated January 22, 2019.
12. Pursuant to TEX. GOV'T CODE §§ 2001.056 and 2001.062(e), Pro. Energy and Lincoln have waived the opportunity to request a hearing on the matter.
13. Lincoln now asserts a "good faith claim" to a continuous right to operate the subject lease.
14. The Waggoner -Vicki- (12241) Lease, Wilbarger County Regular Field, Wichita County, Texas, should be transferred to Lincoln as operator of record.

### CONCLUSIONS OF LAW

1. Proper notice of opportunity for hearing was provided to persons entitled to notice. See, e.g., TEX. GOV'T CODE § 2001.051; 16 TEX. ADMIN. CODE § 1.45(a).
2. The Commission has jurisdiction in this case. See, e.g., TEX. NAT. RES. CODE § 81.051.
3. Lincoln has a good faith claim, as that term is defined in Statewide Rule 15(a)(5), to continue operating the Well. 16 TEX. ADMIN. CODE § 3.15(a)(5).
4. An order superseding provisions of the Prior Order is necessary to prevent waste.

**IT IS THEREFORE ORDERED** that the provision in the Prior Order requiring Pro. Energy I Resource, LLC to plug the Wells is hereby superseded. All other provisions of the Prior Order shall remain in full force and effect.

**IT IS THEREFORE ORDERED** that the application of Lincoln Energy Partners, LLC for transfer of the Form P-4 "Certificate of Compliance and Transportation Authority" is hereby **APPROVED**, subject to the provisions of TEX. NAT. RES. CODE §§ 91.1041, 91.1042, 91.107, 91.114, 91.142 and TEX. ADMIN. CODE § 3.15, 3.58, and 3.78. If after 90 days after the order becomes final, Lincoln Energy Partners, LLC has not met the requirements of the listed provisions, this Order shall be **VOID** and the subject Form P-4 shall be marked as *Unable to Process* and archived.

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 of an application 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 Commission Order is signed.

All pending motions and requests for relief not previously or herein granted are denied.

Signed on March 26, 2019.

**RAILROAD COMMISSION OF TEXAS**

(Order approved and signatures affixed by  
Hearings Division Unprotected Master Order  
dated March 26, 2019)