

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0323077**

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**IN RE: P-5 ORGANIZATION REPORT OF BRANDY PRODUCTION**

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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. Brandy Production [Operator #088628] (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 April 1, 2019.
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 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 Brandy Production's P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that Brandy Production 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 Brandy Production 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 October 1, 2019.)

API Number	District	ID Number	Lease Name	Well Number
065 82009 No approved W-3X on file	10	02113	FOUR SIXES	4
065 82011 No approved W-3X on file	10	02113	FOUR SIXES	8
233 00454 No approved W-3X on file	10	00756	COBLE, W. T.	7
233 08114 No approved W-3X on file	10	00815	COCKRELL	3
233 08141 No approved W-3X on file	10	00819	ELLIS	6
233 11836 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	00819	ELLIS	9
233 20056 No approved W-3X on file	10	02875	WOMBLE	204
233 30781 No approved W-3X on file	10	03821	MCNUTT -A-	3
233 32140 No approved W-3X on file	10	00815	COCKRELL	4
233 80253 No approved W-3X on file	10	024827	DUGAN	4
233 81311 No approved W-3X on file	10	00815	COCKRELL	1
233 81335 No approved W-3X on file	10	00819	ELLIS	5
233 81340 No approved W-3X on file	10	00819	ELLIS	10
233 81341 No approved W-3X on file	10	00819	ELLIS	12
233 81343 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	00819	ELLIS	15
233 81344 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	00819	ELLIS	16
233 82356 No approved W-3X on file	10	01017	SKIATEX	2
233 82357 No approved W-3X on file	10	01017	SKIATEX	5

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
233 82358 No approved W-3X on file	10	01017	SKIATEX	6
233 82359 No approved W-3X on file	10	01017	SKIATEX	9W
233 82635 No approved W-3X on file	10	01073	TERR	1
233 83935 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	125264	DOUBLE FIVE	1
233 84723 No approved W-3X on file	10	02113	FOUR SIXES	1W
233 84724 No approved W-3X on file	10	02113	FOUR SIXES	2
233 84725 No approved W-3X on file	10	02113	FOUR SIXES	3
233 84726 No approved W-3X on file	10	02113	FOUR SIXES	5
233 84727 No approved W-3X on file	10	02113	FOUR SIXES	6
341 30265 No approved W-3X on file	10	03992	DENSON TRUST	2048
341 30494 No approved W-3X on file	10	04288	DENSON TRUST -E-	1048

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**Exhibit A**