

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 03-0319566: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (21401) LEASE, WELL NO. 6, CAPLEN (FB-1, 7) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0320531: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (24101) LEASE, WELL NO. 13, CAPLEN (FB-1, 5-A) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321048: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN-FORMAN (24218) LEASE, WELL NO. 11, CAPLEN (FB-1, 6-X) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321049: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (19568) LEASE, WELL NO. 10, CAPLEN (FB-2, 5-C) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321050: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (21402) LEASE, WELL NO. 19, CAPLEN (FB-2, 5-W) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321051: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (23123) LEASE, WELL NO. 1, CAPLEN (FB-2, 6) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321052: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (12209) LEASE, WELL NO. 5, CAPLEN (FB-2A, 2B3) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321053: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (20433) LEASE, WELL NO. 18, CAPLEN (FB-2A, 2-C) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321054: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (20905) LEASE, WELL NO. 21R, CAPLEN (FB-3A, 2B) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321055: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (22995) LEASE, WELL NO. 21, CAPLEN (FB-3A, 2-A2) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321056: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (GAS ID NO. 128227) LEASE, WELL NO. 12, CAPLEN (FB-1, 1T) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321057: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (GAS ID NO. 180807) LEASE, WELL NO. 1, CAPLEN (FB-2, 5-X) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321058: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (GAS ID NO. 169205) LEASE, WELL NO. 1, CAPLEN (FB-2, 5-Y) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321059: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (GAS ID NO. 147858) LEASE, WELL NO. 14, CAPLEN (FB-3, 1-X) FIELD, GALVESTON COUNTY, TEXAS

OIL & GAS DOCKET NO. 03-0321060: COMPLAINT BY ROBERT ZINN THAT VAST OIL TX OPERATING LLC (OPERATOR NO. 883803) DOES NOT HAVE A GOOD FAITH CLAIM TO OPERATE THE ZINN & FORMAN (GAS ID NO. 183813) LEASE, WELL NO. 3, CAPLEN (FB-3A, 2-W) FIELD, GALVESTON COUNTY, TEXAS

FINAL ORDER

The Commission finds that after notice and opportunity for hearing, the operator of the captioned leases failed to respond with evidence purporting to demonstrate that the operator maintains a "good faith claim" to operate the captioned leases and wells. The proceeding 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 Facts and Conclusions of Law.

FINDINGS OF FACT

1. Vast Oil TX Operating LLC ("Vast") holds Form P-5 *Organization Report* Operator No. 883803. Vast is the current Form P-4 *Certificate of Compliance and Transportation Authority* operator of record for the captioned leases and wells in Galveston County, Texas.
2. On or about July 25, 2019, Robert Zinn submitted to the Commission a complaint letter alleging that Vast lacks authority to operate the captioned leases and wells.

3. On or about August 5, 2019, the Administrative Law Judge requested in writing that Vast either: (1) provide evidence that it holds a good faith claim to a continuing right to operate the referenced properties; or (2) request a hearing on the matter on or before September 4, 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.
4. Vast failed to submit any evidence for a good faith claim or to request a hearing.
5. Vast's Form P-5 is active-ext. Vast has a \$50,000.00 cash deposit as its financial assurance.
6. Vast became the Form P-4 *Certificate of Compliance and Transportation Authority* operator of record for the captioned leases and wells on or about January 15, 2019. There has been no reported production from the captioned leases since January 2012, and likely much earlier.
7. 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." [16 Tex. Admin. Code § 3.15(a)(5)].
8. Vast failed to file any evidence to demonstrate a "good faith claim" to a continuing right to operate the captioned leases and wells. Therefore, Vast does not have a "good faith claim" to operate the captioned leases and wells.
9. Absent a "good faith claim" to operate, the captioned wells are not eligible for an extension to the plugging requirements of Statewide Rule 15(e)(3).
10. Absent eligibility for an extension to the plugging requirements of Statewide Rule 15(e)(3), any plugging extensions of the captioned wells, should be cancelled pursuant to Statewide Rule 15(h).

CONCLUSIONS OF LAW

1. Proper notice of hearing was timely issued to appropriate persons entitled to notice.
2. All things necessary to the Commission attaining jurisdiction have occurred.
3. Vast does not have a "good faith claim" to operate the captioned leases and wells in Galveston County, Texas.
4. The captioned wells are not eligible for an extension to the plugging requirements of Statewide Rule 15(e)(3).
5. Any plugging extensions for the captioned wells, should be cancelled pursuant to Statewide Rule 15(h).

THEREFORE, THE RAILROAD COMMISSION OF TEXAS HEREBY FINDS that Vast Oil TX Operating LLC (Operator No. 883803) does not have a "good faith claim" to operate captioned leases and wells, and **HEREBY ORDERS** that any plugging extensions for the captioned wells be cancelled, that a good-faith-claim hold be placed on any P-4 transfers for such wells, and that Vast Oil TX Operating LLC shall plug and abandon the wells on the captioned leases, in accordance with Statewide Rule 14.

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.

Done this 1st day of October 2019, Austin, Texas.

**Railroad Commission of Texas (Order approved
and signatures affixed by Hearings Division
Unprotested Master Order dated October 1, 2019)**