

**RAILROAD COMMISSION OF TEXAS**  
**OFFICE OF GENERAL COUNSEL**  
**HEARINGS SECTION**

**OIL & GAS DOCKET NO. 7B-0240010**

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**COMMISSION CALLED HEARING ON THE APPLICATION OF ID, INC. TO CONSIDER A SUPERCEDING ORDER TO ELIMINATE THE FINANCIAL ASSURANCE REQUIREMENT ESTABLISHED IN THE FINAL ORDER ISSUED ON APRIL 10, 1989 IN OIL AND GAS DOCKET NOS. 105400 AND 7B-92985 WHICH GRANTED THE PERMIT TO DRILL WELL NO. 1 ON THE P. H. BARNES (25394) LEASE, BROWN COUNTY REGULAR FIELD, BROWN COUNTY, TEXAS**

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**FINAL ORDER**

The Commission finds that, after statutory notice in the above-numbered docket, heard on October 1, 2004, the examiners have made and filed a proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record, and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the proposal for decision and the findings of fact and conclusions of law contained therein, hereby adopts as its own Findings of Fact Nos. 1-7 and 9-17 and all conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein. In addition, the Commission makes the following substitute finding of fact:

**SUBSTITUTE FINDING OF FACT**

8. The subject oil mine has produced a minimal amount of oil since 1993. No production was reported to the Commission from 1993 to 1997. The following average monthly production was reported for 1998 to 2004: 1998 - 8.2 BO; 1999 - 3.9 BO; 2000 - 5.2 BO; 2001 - 6.3 BO; 2002 - 5.7 BO; 2003 - 1.9 BO; and 2004 (January-March) - 2.0 BO. No production has been reported since March 2004. No disposition of oil from the subject lease has been reported since September 2000.

It is accordingly **ORDERED** that application of ID, Inc., for an order superceding the Commission's Final Order signed April 10, 1989, in Oil & Gas Docket Nos. 105400 and 7B-92985 insofar as it imposed a \$15,000 financial security requirement for the P. H. Barnes (25394) Lease, Well No. 1, Brown County Regular Field, Brown County, Texas, is **DENIED**.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission's order. A party is presumed to have been notified of the Commission's order three days after the date on which the notice is actually mailed. If a timely motion for rehearing is filed by any party of 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 90 days from the date the parties are notified of the order.

Each exception to the examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

Done this \_\_\_\_ day of \_\_\_\_\_, 2004.

**RAILROAD COMMISSION OF TEXAS**

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**VICTOR G. CARRILLO, CHAIRMAN**

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**CHARLES R. MATTHEWS, COMMISSIONER**

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**MICHAEL L. WILLIAMS, COMMISSIONER**

**ATTEST:**

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**SECRETARY**