

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0279780

IN RE: P-5 ORGANIZATION REPORT OF TANDEM ENERGY CORPORATION

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. Tandem Energy Corporation [Operator #835707] (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 August 1, 2012.
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 notifying the Operator of the determination of continued non-compliance, that the Operator had a right to request a hearing, and that the hearing request and non-refundable hearing fee had to be received by the Commission no later than 30 days after the date of the letter. The letter included a list, attached as Exhibit A to this order, of the wells that remained out of compliance with Statewide Rule 15 (16 TEX. ADMIN. CODE §3.15).

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. Denial of renewal of the Operator's P-5 Organization Report is authorized and required by 16 Tex. Admin. Code §3.15(g)(4) and Tex. Nat. Res. Code §§89.022(f).
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 Tandem Energy Corporation's P-5 Organization Report is hereby **DENIED**.

It is further ORDERED that Tandem Energy Corporation 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 Tandem Energy Corporation 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 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 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 90 days from the date the parties are notified of the order.

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 January 29, 2013.)

API Number	District	ID Number	Lease Name	Well Number
013 01731	01	01417	PRUITT, E. J. -E-	40
Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
013 31120	01	00343	PRUITT, E. J. -D-	31
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
013 33486	01	10572	DAVIS, MILTON -B-	1B
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
013 33769	01	10572	DAVIS, MILTON -B-	5
Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
013 33991	01	169396	LIEKE, OTTO	3
Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
013 34033	01	13961	FERRY, SARAH E. UNIT	1
Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
013 34039	01	14257	L.S.U. FERRY	2
Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
013 80073	01	00343	PRUITT, E. J. -D-	3
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
013 80074	01	00343	PRUITT, E. J. -D-	6
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
013 80081	01	00343	PRUITT, E. J. -D-	23
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
199 01061	03	00224	CHOATE FEE	2
Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
201 00137	03	099515	TOMBALL GU 16	1
Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
201 00169	03	04274	REID, JOHN D. Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	508D
201 00174	03	08388	REID, JOHN D. Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	16
201 00183	03	08388	REID, JOHN D. Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	27 D
201 00183	03	08388	REID, JOHN D. Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	27 F
201 00205	03	135259	TOMBALL GU 5 Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	5
201 00583	03	22799	HANDY, E.W. -B- Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	1
201 00585	03	08366	HANDY, E. W. Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	2
201 00639	03	08383	MILO, E. F. Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	9
201 00648	03	08373	HOLDERRIETH, JOHN, A/C #1 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	5
201 00662	03	051663	TOMBALL GU 9 Electricity must be disconnected (certify on Form W-3C) Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	21
201 00672	03	08380	LAIRD, O. L. Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	2
201 30260	03	127891	TOMBALL GU 9 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	6

API Number	District	ID Number	Lease Name	Well Number
201 31172	03	101195	TOMBALL GU 9	15
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
201 31172	03	146082	TOMBALL GAS UNIT 9	15
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
201 31588	03	148471	TOMBALL GAS UNIT 9	20
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
201 32737	03	217998	TOMBALL G.U. 9	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
201 32771	03	224047	TOMBALL GAS UNIT "9"	A 10
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
201 32774	03	225874	TOMBALL GAS UNIT "9"	A 13
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
201 80300	03	071536	TOMBALL GU 6	3
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
363 00464	7B	098783	BALL	9
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
363 01184	7B	05439	BALL	101
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
363 01190	7B	018374	STRAWN COAL CO.	18B
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
363 33957	7B	171932	BALL	3
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 33957	7B	172322	BALL	3
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				

API Number	District	ID Number	Lease Name	Well Number
363 34230	7B	150306	BIRD, HENRY	1W
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
363 34231	7B	27156	BIRD, HENRY	3W
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
363 34685	7B	165539	BALL "ASHWORTH"	2
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 34857	7B	176246	BALL	13
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
363 35506	7B	27156	BIRD, HENRY	8W
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
363 80443	7B	070068	BALL	21
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
371 32495	08	30738	OSWALT, C.F. JR.	1
No approved W-3X on file				
371 32937	08	25841	SMITH, DEMA ET AL	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
371 32991	08	25834	DYCHE, ALTHEA -B-	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
371 34694	08	35168	USM SHELTON PILOT	7
No approved W-3X on file				
371 34698	08	18583	U S M OIL CO.	7
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
371 34972	08	29045	HILLIN, T.W. -A-	1
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
371 35061	08	35168	USM SHELTON PILOT	12
No approved W-3X on file				
371 35118	08	35168	USM SHELTON PILOT	16
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				

API Number	District	ID Number	Lease Name	Well Number
371 35185	08	35168	USM SHELTON PILOT	17
Electricity must be disconnected (certify on Form W-3C)				
Surface equipment must be removed (certify on Form W-3C)				
No approved W-3X on file				
371 36691	08	35168	USM SHELTON PILOT	18
No approved W-3X on file				
371 36692	08	35168	USM SHELTON PILOT	19
No approved W-3X on file				
415 00109	8A	60411	IRA /1700 ZONE/ UNIT	6201
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
415 00179	8A	60411	IRA /1700 ZONE/ UNIT	6715
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00234	8A	60411	IRA /1700 ZONE/ UNIT	3402
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00383	8A	60411	IRA /1700 ZONE/ UNIT	4505
Electricity must be disconnected (certify on Form W-3C)				
Production fluids must be purged (certify on Form W-3C)				
No approved W-3X on file				
415 00394	8A	60411	IRA /1700 ZONE/ UNIT	4514
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00397	8A	60411	IRA /1700 ZONE/ UNIT	2302
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00400	8A	60411	IRA /1700 ZONE/ UNIT	2702
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00410	8A	60411	IRA /1700 ZONE/ UNIT	5308
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00414	8A	60411	IRA /1700 ZONE/ UNIT	2601
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00419	8A	60411	IRA /1700 ZONE/ UNIT	2606
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
415 00647	8A	60411	IRA /1700 ZONE/ UNIT	6603
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				

API Number	District	ID Number	Lease Name	Well Number
415 00702	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	6507
415 00825	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	2802
415 01306	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	6409
415 01994	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	2106
415 01996	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	2108
415 02014	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	4403
415 02021	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	4406
415 02026	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	6007
415 02031	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	6012
415 02222	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	5205
415 02559	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	5931
415 02568	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	5927
415 02571	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	5935
415 02594	8A	60411	IRA /1700 ZONE/ UNIT Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	6406

API Number	District	ID Number	Lease Name	Well Number
415 04547	8A	60411	IRA /1700 ZONE/ UNIT	5705
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 04828	8A	60411	IRA /1700 ZONE/ UNIT	3305
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 10078	8A	60411	IRA /1700 ZONE/ UNIT	5933
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31165	8A	60411	IRA /1700 ZONE/ UNIT	5805A
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31228	8A	60411	IRA /1700 ZONE/ UNIT	5801A
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31232	8A	62187	EILAND	1
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31344	8A	60411	IRA /1700 ZONE/ UNIT	4117
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31568	8A	60411	IRA /1700 ZONE/ UNIT	4121
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31572	8A	60411	IRA /1700 ZONE/ UNIT	4518
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31578	8A	60411	IRA /1700 ZONE/ UNIT	2505
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31632	8A	62771	HERRERA, T. C.	2
			Electricity must be disconnected (certify on Form W-3C) Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	
415 31698	8A	60411	IRA /1700 ZONE/ UNIT	4524
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31700	8A	60411	IRA /1700 ZONE/ UNIT	4522
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	
415 31701	8A	60411	IRA /1700 ZONE/ UNIT	4521
			Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	

API Number	District	ID Number	Lease Name	Well Number
415 31986	8A	60411	IRA /1700 ZONE/ UNIT	6321
			Electricity must be disconnected (certify on Form W-3C)	
			No approved W-3X on file	
415 32135	8A	60411	IRA /1700 ZONE/ UNIT	2003A
			Electricity must be disconnected (certify on Form W-3C)	
			No approved W-3X on file	
415 32230	8A	60411	IRA /1700 ZONE/ UNIT	5948
			Electricity must be disconnected (certify on Form W-3C)	
			No approved W-3X on file	
415 32749	8A	60411	IRA /1700 ZONE/ UNIT	1A
			Electricity must be disconnected (certify on Form W-3C)	
			Surface equipment must be removed (certify on Form W-3C)	
			No approved W-3X on file	
415 32856	8A	60411	IRA /1700 ZONE/ UNIT	2506
			Electricity must be disconnected (certify on Form W-3C)	
			No approved W-3X on file	
415 33165	8A	60411	IRA /1700 ZONE/ UNIT	6323
			Electricity must be disconnected (certify on Form W-3C)	
			Surface equipment must be removed (certify on Form W-3C)	
			No approved W-3X on file	