

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0288293**

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**IN RE: P-5 ORGANIZATION REPORT OF KENNEMER, DARRELL**

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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. Kennemer, Darrell [Operator #457132] (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 November 1, 2013.
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 of 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 Kennemer, Darrell's P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that Kennemer, Darrell 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 Kennemer, Darrell 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 April 22, 2014.)

API Number	District	ID Number	Lease Name	Well Number
485 01272 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	A 1
485 05378 Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	09	05453	SMITH, JODIE D.	12
485 11108 No approved W-3X on file	09	05453	SMITH, JODIE D.	9
485 21089 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	11
485 31039 No approved W-3X on file	09	04997	STRINGER, SUE	4
485 31931 No approved W-3X on file	09	13875	KEMPNER	14
485 32094 No approved W-3X on file	09	05154	CROW, W. E.	15
485 33034 No approved W-3X on file	09	04997	STRINGER, SUE	9
485 35564 No approved W-3X on file	09	05219	DAUME, FRED	24
485 35565 No approved W-3X on file	09	05219	DAUME, FRED	25
485 35751 No approved W-3X on file	09	05219	DAUME, FRED	26
485 36138 No approved W-3X on file	09	04997	STRINGER, SUE	10
485 36243 No approved W-3X on file	09	05219	DAUME, FRED	29
485 36289 No approved W-3X on file	09	05219	DAUME, FRED	30
485 36588 No approved W-3X on file	09	05219	DAUME, FRED	31
485 36590 No approved W-3X on file	09	05219	DAUME, FRED	33
485 36620 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	09	05154	CROW, W. E.	18
485 36621 No approved W-3X on file	09	05154	CROW, W. E.	17

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
485 36811	09	05154	CROW, W. E.	19
No approved W-3X on file				
485 37642	09	05453	SMITH, JODIE D.	16
Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
485 38201	09	04997	STRINGER, SUE	12
No approved W-3X on file				
485 38269	09	22381	SMITH, L.D.	4
Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
485 38270	09	22381	SMITH, L.D.	3
Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
485 38271	09	22381	SMITH, L.D.	2
Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
485 38272	09	22381	SMITH, L.D.	1
Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file				
485 38499	09	09341	RED RIVER OIL COMPANY, ETAL	12
No approved W-3X on file				
485 38501	09	09341	RED RIVER OIL COMPANY, ETAL	16
No approved W-3X on file				
485 39455	09	20579	DAUME, LYDIA	4
No approved W-3X on file				
485 39732	09	05453	SMITH, JODIE D.	18
Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
485 42172	09	20579	DAUME, LYDIA	8
No approved W-3X on file				
485 42488	09	20579	DAUME, LYDIA	10
No approved W-3X on file				
485 43867	09	27990	THOLL, DAUME JONES	7S
No approved W-3X on file				
485 80521	09	04996	SMITH, J. D.	1
Production fluids must be purged (certify on Form W-3C) No approved W-3X on file				
485 80522	09	04996	SMITH, J. D.	2
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
485 80525 No approved W-3X on file	09	04997	STRINGER, SUE	1
485 80528 No approved W-3X on file	09	04997	STRINGER, SUE	3
485 80529 No approved W-3X on file	09	04997	STRINGER, SUE	5A
485 80530 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	09	04997	STRINGER, SUE	6A
485 81859 No approved W-3X on file	09	05154	CROW, W. E.	1
485 81860 No approved W-3X on file	09	05154	CROW, W. E.	2
485 81861 No approved W-3X on file	09	05154	CROW, W. E.	4
485 81864 No approved W-3X on file	09	05154	CROW, W. E.	12
485 81865 No approved W-3X on file	09	05154	CROW, W. E.	16
485 82245 No approved W-3X on file	09	05219	DAUME, FRED	2
485 82246 No approved W-3X on file	09	05219	DAUME, FRED	17
485 84137 Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	09	05453	SMITH, JODIE D.	1
485 84139 No approved W-3X on file	09	05453	SMITH, JODIE D.	3
485 84140 Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	09	05453	SMITH, JODIE D.	4
485 84141 No approved W-3X on file	09	05453	SMITH, JODIE D.	5
485 84144 No approved W-3X on file	09	05453	SMITH, JODIE D.	8
485 87618 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	2
485 87619 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	4

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
485 87620 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	5
485 87621 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	6
485 87622 No approved W-3X on file	09	09341	RED RIVER OIL COMPANY, ETAL	7
485 90246 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	09	13875	KEMPNER	1
485 90247 No approved W-3X on file	09	13875	KEMPNER	2
485 90251 No approved W-3X on file	09	13875	KEMPNER	9

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# Exhibit A