

**RAILROAD COMMISSION OF TEXAS  
OFFICE OF GENERAL COUNSEL  
OIL AND GAS SECTION**

**OIL AND GAS DOCKET NO. 7B-0221463**

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**ENFORCEMENT ACTION FOR ALLEGED VIOLATIONS COMMITTED BY TRI SPORTSMAN ENERGY, INC. (871112), AS TO THE HENDRICK-COOK LEASE, WELL NO. 1 (075569), THE HENDRICKS-SHACKELFORD LEASE, WELL NO. 1 (070047), SHACKELFORD COUNTY REGULAR (GAS) FIELD, SHACKELFORD COUNTY, FENNER HENDRICKS ESTATE LEASE, WELL NO. 1 (066606), AND THE HENDRICK ESTATE "C" LEASE, WELL NO. 5 (103517), PRECISION (BLUFF CREEK) FIELD, HASKELL COUNTY, TEXAS**

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**FINAL ORDER**

The Commission finds that after statutory notice the captioned enforcement proceeding was heard by the examiner on June 21, 1999, and that the respondent, Tri Sportsman Energy, Inc. (871112), failed to appear or respond to the notice. Pursuant to § 1.49 of the Commission's General Rules of Practice and Procedure [Tex. R. R. Comm'n, 16 TEX. ADMIN. CODE § 1.49] and after being 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. Tri Sportsman Energy, Inc. (871112), ("respondent") was given Notice of Opportunity for Hearing by certified mail, addressed to the most recent Form P-5 (Organization Report) address, which was returned to the Commission marked "unclaimed."
2. The returned certified receipt containing the Original Complaint and the Notice of Hearing Opportunity, was returned to the Commission marked "unclaimed" on June 7, 1999 and has been on file with the Commission for 15 days, exclusive of the day of receipt and day of issuance.
3. On August 28, 1996, Respondent, a Corporation, filed an Organization Report (Form P-5) with the Commission reporting that its officers consisted of the following individuals: Kirk J. Cansler, President; and Virginia O. Cansler; Vice-President.
4. Respondent designated itself to the Commission as the operator of Well No. 1 (075569) on the Hendrick-Cook Lease, Well No. 1 (070047) on the Hendricks-Shackelford Lease, Well No. 1 (066606) on the Fenner Hendricks Estate Lease and Well No. 5 (103517) on the Hendrick Estate "C" Lease ("subject wells"/"subject leases") by filing a Form P-4 (Producer's Transportation Authority and Certificate of Compliance) with the Commission, effective on September 1, 1990 for the Hendrick-Cook and the Hendricks-Shackelford Leases and September 30, 1990 for the Fenner Hendricks Estate and the Hendrick Estate "C" Leases.
5. The subject wells were dry and inactive for a period in excess of one year. Commission inspection and/or production reports indicate that the subject wells ceased production on or before August 31, 1995 for the Hendrick-Cook Lease, November 30, 1996 for the Hendricks-Shackelford Lease and January 1, 1993 for the Fenner Hendricks Estate and the Hendrick Estate "C" Leases.
6. The subject wells were not properly plugged in accordance with, and were not otherwise in compliance with, Statewide Rule 14.

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7. Usable quality groundwater in the area is likely to be contaminated by migrations or discharges of saltwater and other oil and gas wastes from the subject wells. Unplugged wellbores constitute a cognizable threat to the public health and safety because of the probability of pollution.
8. The estimated cost to the State of plugging the subject wells is \$4,500.00 for each of the subject wells.
9. Respondent has not demonstrated good faith since it failed to place the subject wells and leases in compliance after being notified of the violations by the District Office and failed to appear at the hearing to explain its inaction.

### CONCLUSIONS OF LAW

1. Proper notice was issued by the Railroad Commission to respondent and all other appropriate persons legally entitled to notice.
2. All things necessary to the Commission attaining jurisdiction over the subject matter and the parties in this hearing have been performed or have occurred.
3. Respondent is in violation of Commission Statewide Rule 14(b)(2).
4. Respondent is responsible for maintaining the subject wells and leases in compliance with all applicable Statutes and Commission rules, specifically Statewide Rules 14, 58, and 79 and Chapters 89 and 91, Texas Natural Resources Code.
5. The documented violations committed by the respondent constitute acts deemed serious, a hazard to the public health, and demonstrate a lack of good faith pursuant to TEX. NAT. RES. CODE ANN. §81.0531(c) (Vernon 1993).

**IT IS ORDERED THAT** within 30 days from the day immediately following the date this order becomes final:

1. Tri Sportsman Energy, Inc. (871112), shall plug and or otherwise place the Hendrick-Cook Lease, Well No. 1 (075569), the Hendricks-Shackelford Lease, Well No. 1 (070047), Shackelford County Regular (Gas) Field, Shackelford County; and the Fenner Hendricks Estate Lease, Well No. 1 (066606), and the Hendrick Estate "C" Lease, Well No. 5 (103517), Precision (Bluff Creek) Field, Haskell County, Texas in compliance with applicable Commission rules and regulations; and
2. Tri Sportsman Energy, Inc. (871112), shall remit to the Railroad Commission of Texas, for disposition as provided by law, an administrative penalty in the amount of **EIGHT THOUSAND DOLLARS (\$8,000.00)**.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 20 days after it is actually mailed to the parties by the Commission; provided that if a motion for rehearing is filed by any party at interest within such 20-day period, this order shall not become final and effective until such motion is overruled, or if rehearing 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 order is served on the parties.

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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.

Noncompliance with the provisions of this order is subject to enforcement by the Attorney General and subject to civil penalties of up to \$10,000.00 per day per violation.

Done this 27th day of July, 1999.

**RAILROAD COMMISSION OF TEXAS**

(Signatures affixed by Default Master Order dated  
July 27, 1999)

MFE/sa