

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0288891

IN RE: P-5 ORGANIZATION REPORT OF LOSURE, KEN

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. Losure, Ken [Operator #509289] (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, 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 Losure, Ken's P-5 Organization Report is hereby **DENIED**.

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

It is further ORDERED that Losure, Ken 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 Losure, Ken 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 June 17, 2014.)

In Re: P-5 Organization Report of
Losure, Ken
(Operator No. 509289)

O&G 20-0288891

No 30-Day Letter Provided

Docket No. 20-0288891

Exhibit A

LOSURE, KEN

3/25/2014

Page 2 of 4

API No.	Dist	ID No.	Lease Name	Well No.
065 01062	10	00063	WHITTEMORE	9
No approved W-3X on file				
065 01063	10	00063	WHITTEMORE	10
No approved W-3X on file				
065 30804	10	00063	WHITTEMORE	12
No approved W-3X on file				
065 80382	10	024370	MCCONNELL, R. S.	7
No approved W-3X on file				
065 81799	10	01269	GARNER, C. R. "A"	3
No approved W-3X on file				
065 81801	10	01269	GARNER, C. R. "A"	6
No approved W-3X on file				
065 81802	10	01269	GARNER, C. R. "A"	7
No approved W-3X on file				
065 81803	10	01269	GARNER, C. R. "A"	8
No approved W-3X on file				
179 32257	10	164565	PURVIS	1
No approved W-3X on file				
179 80202	10	024322	BEAVERS	1
No approved W-3X on file				
179 80212	10	024345	EVANS, C. E.	1
No approved W-3X on file				
179 80227	10	024402	WILLIAMS, M. G.	1
No approved W-3X on file				
233 04113	10	01194	WEATHERLY, MAGGIE	22
No approved W-3X on file				
233 04135	10	179871	WEATHERLY, MAGGIE	45
No approved W-3X on file				
233 10484	10	01276	MOORE, J. W.	8G
No approved W-3X on file				
233 11850	10	02787	SANFORD-ALAMOSA	15
No approved W-3X on file				
233 80567	10	027252	BIVINS	B 1R
No approved W-3X on file				

Docket No. 20-0288891

Exhibit A

233 80829	10	00717	BURNETT -W-	3
No approved W-3X on file				
233 83759	10	01269	GARNER, C. R. "A"	18
No approved W-3X on file				
233 83761	10	01269	GARNER, C. R. "A"	21
No approved W-3X on file				
233 83762	10	01269	GARNER, C. R. "A"	22
No approved W-3X on file				
233 83763	10	01269	GARNER, C. R. "A"	25
No approved W-3X on file				
233 83764	10	01269	GARNER, C. R. "A"	32
No approved W-3X on file				
233 83765	10	01269	GARNER, C. R. "A"	33
No approved W-3X on file				
233 83767	10	01269	GARNER, C. R. "A"	38
No approved W-3X on file				
233 83768	10	01269	GARNER, C. R. "A"	39
No approved W-3X on file				
233 83769	10	01269	GARNER, C. R. "A"	42
No approved W-3X on file				
233 83770	10	01269	GARNER, C. R. "A"	5
No approved W-3X on file				
233 83832	10	01276	MOORE, J. W.	7
No approved W-3X on file				
233 83839	10	01276	MOORE, J. W.	14
No approved W-3X on file				
233 84989	10	02468	BIVINS	1
Electricity must be disconnected (certify on Form W-3C)				
No approved W-3X on file				
233 84992	10	02468	BIVINS	4
No approved W-3X on file				
233 85001	10	02517	NORTH AMERICAN-SANFORD	1
No approved W-3X on file				
233 85002	10	02517	NORTH AMERICAN-SANFORD	2
No approved W-3X on file				

Docket No. 20-0288891

Exhibit A

LOSURE, KEN

3/25/2014

Page 4 of 4

233 85004	10	02517	NORTH AMERICAN-SANFORD	4
No approved W-3X on file				
233 85005	10	02517	NORTH AMERICAN-SANFORD	5
No approved W-3X on file				
233 85006	10	02517	NORTH AMERICAN-SANFORD	6
No approved W-3X on file				
233 85141	10	02725	SHAFFER-SANFORD	3
No approved W-3X on file				
233 85142	10	02725	SHAFFER-SANFORD	4
No approved W-3X on file				
233 85240	10	02787	SANFORD-ALAMOSA	10
No approved W-3X on file				
233 85242	10	02787	SANFORD-ALAMOSA	12
No approved W-3X on file				
233 85243	10	02787	SANFORD-ALAMOSA	13
No approved W-3X on file				

Docket No. 20-0288891

Exhibit A