

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0289567

IN RE: P-5 ORGANIZATION REPORT OF RENEAU, JAMES SEED CO.

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. Reneau, James Seed Co. [Operator #701747] (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 January 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 Reneau, James Seed Co.'s P-5 Organization Report is hereby **DENIED**.

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

It is further ORDERED that Reneau, James Seed Co. 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 Reneau, James Seed Co. 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.)

API Number	District	ID Number	Lease Name	Well Number
087 30136 No approved W-3X on file	10	115919	WISCHKAEMPER, EDGAR	1
087 30160 No approved W-3X on file	10	094093	TROXELL, E. F.	1
087 30161 No approved W-3X on file	10	090739	BAKER	1
087 80392 Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	10	026891	POWELL	A 1
087 80409 Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	10	026989	FRANKS, H. E. -B-	B 2
087 80411 Production fluids must be purged (certify on Form W-3C) No approved W-3X on file	10	026991	FRANKS, H. E.	B 4
087 80426 No approved W-3X on file	10	027021	MCDONALD	2
179 80545 No approved W-3X on file	10	025935	GETHING, E. E. -NCT- -1-	17
357 00212 No approved W-3X on file	10	02073	CONNER, L. R.	1
357 00410 No approved W-3X on file	10	01527	CONNER, C. D.	6
357 20138 No approved W-3X on file	10	03430	PATTON, T. O.	1
357 80588 No approved W-3X on file	10	01527	CONNER, C. D.	3
357 80590 No approved W-3X on file	10	01527	CONNER, C. D.	5
357 80733 Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	10	02073	CONNER, L. R.	2
357 80734 No approved W-3X on file	10	02073	CONNER, L. R.	3
483 01073 No approved W-3X on file	10	02977	HAMMER	2
483 01754 No approved W-3X on file	10	01417	NORTHROP, JOSEPH W., ETAL	1W

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
483 02800	10	152880	BELL, G. Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	3
483 30489	10	080303	RENEAU No approved W-3X on file	1
483 30522	10	113209	ROACH No approved W-3X on file	3
483 30781	10	107659	SCHNEIDER, J. C. No approved W-3X on file	1
483 30793	10	092337	ELIZABETH No approved W-3X on file	1002
483 30797	10	090743	SIMPSON Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	1
483 30807	10	097259	HOLMES No approved W-3X on file	1
483 30820	10	094094	CARPENTER No approved W-3X on file	9501 A
483 30863	10	098935	WESLEY No approved W-3X on file	1
483 30884	10	097258	CADRA No approved W-3X on file	1
483 30901	10	100829	RENEAU, JAMES No approved W-3X on file	1
483 30934	10	098556	MARNIE 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
483 30986	10	098544	PAKAN No approved W-3X on file	1
483 31055	10	105397	HENRY No approved W-3X on file	9601
483 31056	10	117348	RAYMOND No approved W-3X on file	9701
483 31070	10	127611	GROGAN -B- No approved W-3X on file	1
483 31114	10	145973	COPELAND No approved W-3X on file	1

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
483 31152	10	116435	TEDDER	3
No approved W-3X on file				
483 31201	10	114565	SESCO -B-	1
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
483 31244	10	122801	FITZGERALD	1
No approved W-3X on file				
483 32094	10	226522	RENEAU #18-1	1801
No approved W-3X on file				
483 32095	10	227467	RENEAU #2-2	202
No approved W-3X on file				
483 80088	10	026379	PERRY, E.	1
No approved W-3X on file				
483 80112	10	026411	MARTIN, W. C.	1
No approved W-3X on file				
483 80118	10	026421	PURCELL, J. D.	1
No approved W-3X on file				
483 80136	10	026466	DOUGHERTY	1
No approved W-3X on file				
483 80143	10	026542	HOLMES, W. H.	1
No approved W-3X on file				
483 80145	10	026547	NELSON, A. L.	3
No approved W-3X on file				
483 80146	10	026548	NELSON, A. L.	5
No approved W-3X on file				
483 80147	10	026549	PUGH -R-	1
No approved W-3X on file				
483 80148	10	026550	SMITH, C.	1
No approved W-3X on file				
483 80149	10	026551	SMOCK, H. W.	1
No approved W-3X on file				
483 80167	10	026712	VERMILLION, W. H.	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				
483 80221	10	026815	ACKLEY, M. E.	4
No approved W-3X on file				
483 80234	10	026830	GROGAN, JOHN W.	2
No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
483 80235 No approved W-3X on file	10	026831	GROGAN, JOHN W.	3
483 80236 No approved W-3X on file	10	026832	GROGAN, J. W.	B 1
483 80242 No approved W-3X on file	10	026839	LAYCOCK, A. J.	2
483 80246 No approved W-3X on file	10	026844	MACINA, PAUL	1
483 80248 No approved W-3X on file	10	026847	PAKAN, SAM	1
483 80253 No approved W-3X on file	10	026853	TROSTLE, T. E.	2
483 80255 No approved W-3X on file	10	026856	WILLIAMS & LAYCOCK	1
483 80256 No approved W-3X on file	10	026857	WILLIAMS & LAYCOCK	2
483 80272 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	026877	LILLIAN & LUCILLE	1
483 80275 No approved W-3X on file	10	026880	CLOSE	2
483 80289 No approved W-3X on file	10	026904	CLOSE, IVEY	15
483 80290 No approved W-3X on file	10	026905	CLOSE, IVEY	17
483 80291 No approved W-3X on file	10	026906	CLOSE, IVEY	18
483 80295 No approved W-3X on file	10	026910	GROGAN	B 1
483 80397 No approved W-3X on file	10	027046	VALENCIK	1
483 80471 No approved W-3X on file	10	039274	MACINA, P. T.	1
483 80474 No approved W-3X on file	10	039409	LANKFORD	1
483 80476 No approved W-3X on file	10	039530	BRADLEY, ELLA, -B-	2

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API Number	District	ID Number	Lease Name	Well Number
483 80478 No approved W-3X on file	10	039826	ATKINS	2 A
483 80554 No approved W-3X on file	10	149691	MANKINS	2
483 80691 No approved W-3X on file	10	01417	NORTHROP, JOSEPH W., ETAL	2
483 80692 No approved W-3X on file	10	01417	NORTHROP, JOSEPH W., ETAL	3
483 80693 No approved W-3X on file	10	01417	NORTHROP, JOSEPH W., ETAL	4
483 80966 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	151634	BELL, G.	1
483 80967 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	10	151635	BELL, G.	2

INSUFFICIENT PROGRESS ON 10-YEAR INACTIVE WELLS: For wells shut-in at least 10 years as of September 1, 2010, operators were given five years to address the surface equipment removal requirements. For your Organization Report renewal on JANUARY 1, 2014, Rule 15(i) requires that you be at least 60% complete with this process. Current W-3C records indicate that you have not met this requirement (50% of your phase-in wells show that you have completed the surface cleanup). Your Organization Report renewal cannot be approved until you have met this requirement and have filed the appropriate Commission forms to update our records.

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Exhibit A