

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0292155**

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**IN RE: P-5 ORGANIZATION REPORT OF HARTOIL CORPORATION**

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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. Hartoil Corporation [Operator #362980] (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 May 1, 2014.
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 Hartoil Corporation's P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that Hartoil 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 Hartoil 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 October 14, 2014.)

API Number	District	ID Number	Lease Name	Well Number
227 00818 No approved W-3X on file	08	09775	PATTERSON -D-	1
227 00820 No approved W-3X on file	08	08721	PATTERSON, L. S.	2W
227 00822 No approved W-3X on file	08	09269	PATTERSON -C-	2
227 00824 No approved W-3X on file	08	08721	PATTERSON, L. S.	3
227 00832 No approved W-3X on file	08	08721	PATTERSON, L. S.	5
227 00834 No approved W-3X on file	08	09269	PATTERSON -C-	5
227 00835 No approved W-3X on file	08	09775	PATTERSON -D-	5
227 00836 No approved W-3X on file	08	08721	PATTERSON, L. S.	6
227 00838 No approved W-3X on file	08	09269	PATTERSON -C-	6
227 00841 No approved W-3X on file	08	08721	PATTERSON, L. S.	8
227 01039 No approved W-3X on file	08	08870	PATTERSON-DUNCAN	1
227 01041 No approved W-3X on file	08	08870	PATTERSON-DUNCAN	3
227 01043 No approved W-3X on file	08	08870	PATTERSON-DUNCAN	4
227 01045 No approved W-3X on file	08	08870	PATTERSON-DUNCAN	6
227 01631 No approved W-3X on file	08	09293	CHERRY, E. F.	3
227 01632 No approved W-3X on file	08	09293	CHERRY, E. F.	4
227 04213 No approved W-3X on file	08	09823	DORSEY, GRADY	1
227 10905 No approved W-3X on file	08	09269	PATTERSON -C-	7
227 30793 No approved W-3X on file	08	23730	GUITAR -16-	1

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
227 30968 No approved	08 W-3X	23730 on file	GITAR -16-	3
227 32153 No approved	08 W-3X	26124 on file	CHERRY, J. V.	1
227 33306 No approved	08 W-3X	28878 on file	WILKINSON, H. H. -B-	1
227 33312 No approved	08 W-3X	28773 on file	GITAR -20-	1A
227 33365 No approved	08 W-3X	28773 on file	GITAR -20-	3
227 33377 No approved	08 W-3X	29645 on file	QUINN SWD	1
227 33436 No approved	08 W-3X	29137 on file	CHERRY, J.V."A"	1
227 33503 No approved	08 W-3X	30178 on file	WILKINSON, H.H. -D-	1
227 33517 No approved	08 W-3X	30178 on file	WILKINSON, H.H. -D-	2
227 33519 No approved	08 W-3X	28773 on file	GITAR -20-	2
227 33590 No approved	08 W-3X	30060 on file	CITY OF BIG SPRING 10-B	5
227 33610 No approved	08 W-3X	30614 on file	PLAYA "A"	1
227 33622 No approved	08 W-3X	29732 on file	PLAYA	2
227 33639 No approved	08 W-3X	30266 on file	GITAR -A-	1
227 33916 No approved	08 W-3X	30527 on file	PLAYA "B"	1
227 33918 No approved	08 W-3X	30530 on file	GITAR "B"	142
227 33930 No approved	08 W-3X	30530 on file	GITAR "B"	94
227 33939 No approved	08 W-3X	30530 on file	GITAR "B"	91
227 33947 No approved	08 W-3X	30530 on file	GITAR "B"	81

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
227 33948 No approved W-3X on file	08	30530	GUITAR "B"	144
227 33949 No approved W-3X on file	08	30530	GUITAR "B"	95
227 33954 No approved W-3X on file	08	30530	GUITAR "B"	101
227 33970 No approved W-3X on file	08	30530	GUITAR "B"	104
227 33972 No approved W-3X on file	08	30530	GUITAR "B"	143
227 33973 No approved W-3X on file	08	30530	GUITAR "B"	102
227 33974 No approved W-3X on file	08	30530	GUITAR "B"	93
227 33986 No approved W-3X on file	08	30527	PLAYA "B"	3
227 34251 No approved W-3X on file	08	31707	NEVILL	1
227 34401 No approved W-3X on file	08	31707	NEVILL	2
415 32004 No approved W-3X on file	8A	63462	STERLING "A"	1
415 32265 No approved W-3X on file	8A	63462	STERLING "A"	4

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# Exhibit A