

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 01-0296006

**THE ENFORCEMENT ACTION AGAINST 4 SWIFT SERVICE, LLC (OPERATOR NO. 953799)
FOR VIOLATIONS OF A STATEWIDE RULE ON THE DILLEY WASHOUT FACILITY AT 160
COUNTY ROAD 4605, FRIO COUNTY, TEXAS**

FINAL ORDER

The Commission finds that after statutory notice the captioned enforcement proceeding was heard by the examiner on August 13, 2015 and that the respondent, 4 Swift Service, LLC (Operator No. 953799), failed to appear or respond to the Notice of Opportunity for Hearing. 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. 4 Swift Service, LLC (Op. No. 953779), (“Respondent”), was given Notice of Opportunity for Hearing by certified mail, addressed to the most recent Form P-5 (Organization Report) address.
2. The certified envelope containing the Original Complaint and the Notice of Opportunity for Hearing, was signed for on May 20, 2015. The electronic receipt is included in the file and has been on file with the Commission for 15 days, exclusive of the day of receipt and day of issuance.
3. On October 20, 2014, Respondent, a Limited Liability Company, filed an Organization Report (Form P-5) with the Commission reporting that its officers consisted of the following individual(s): Luis H. DeHoyos, Managing Member.
4. Luis H. DeHoyos, was in a position of ownership or control of respondent, as defined by Texas Natural Resources Code Section 91.114, during the time period of the violations of Commission rules committed by respondent.
5. Respondent’s P-5 (Organization Report) is became delinquent on October 1, 2015. Respondent had a \$7,000 cash deposit as its financial assurance at the time it became delinquent.
6. The violations of Commission rules committed by respondent are related to safety and the control of pollution.
7. Respondent designated itself as the Operator of the Delley Washout Facility by physically conducting operations at the subject facility.
8. Commission inspection reports made on February 25, 2015 and December 15, 2014 for the Dilley Washout Facility indicated that Respondent caused or allowed unauthorized discharges of oil and gas waste from the frac tank to affect three areas of soil of undetermined sizes.
9. No permit has been issued to the Respondent for the discharge of oil and gas wastes on or from the subject lease.

10. The unpermitted discharges of oil and gas wastes or the other substances or materials on the subject lease constitute a hazard to public health and safety because leaks and spills of oil and produced waters onto soils can migrate into surface water bodies causing contamination or can leach into the ground and percolate through soils into groundwater supplies.
11. Respondent has no prior history of violations of Commission rules.

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 responsible for maintaining the subject lease in compliance with all applicable Commission rules and for properly plugging the subject well according to Statewide Rules 14, 58, and 79 and Chapters 89 and 91, Texas Natural Resources Code.
4. The documented violations committed by the respondent constitute acts deemed serious, and 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).
5. Respondent is in violation of Statewide Rule 8 (d)(1).
6. Respondent is responsible for maintaining the subject lease in compliance with Statewide Rule 8(d)(1), which prohibits the discharge of oil and gas wastes without a permit.
7. As a **person** in a position of ownership or control of respondent at the time respondent violated Commission rule related to safety and the control of pollution, Luis H. DeHoyos, and any other organization in which **he** may hold a position of ownership or control, shall be subject to the restriction of Texas Natural Resources Code Section 91.114(a)(2) for a period of no more than seven years from the date the order entered in this matter becomes final, or sooner, if the conditions that constituted the violations herein are corrected or are being corrected in accordance with a schedule to which the Commission and the organization have agreed, and all administrative, civil, and criminal penalties and all cleanup and plugging costs incurred by the State relating to those conditions are paid or are being paid in accordance with a schedule to which the Commission and the organization have agreed.

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

1. 4 Swift Service, LLC (Op. No. 953799), shall plug the the Dilley Washout Facility at 160 County Road 4605, Frio County, Texas in compliance with applicable Commission rules and regulations; and
2. 4 Swift Service, LLC (Op. No. 953799), shall pay to the Railroad Commission of Texas, for disposition as provided by law, an administrative penalty in the amount of **ONE THOUSAND FIVE**

HUNDRED DOLLARS (\$1,500.00).

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after a party is notified of the Commission's order. If a timely motion for rehearing of an application 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 this order in accordance with Tex. Gov't Code §2001.144.

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 8th day of December 2015.

LMV/rmf

**RAILROAD COMMISSION OF TEXAS
(Signatures affixed by Default Master Order
dated December 8, 2015)**