

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 03-0280348

**ENFORCEMENT ACTION AGAINST FLO A. PERRY D/B/A A & P OIL & GAS (OP. NO. 000480)
FOR VIOLATIONS OF STATEWIDE RULES ON THE NONA JO (15232) LEASE, WELL NO. 1,
HALLIDAY (WOODBINE) FIELD, LEON COUNTY, TEXAS**

FINAL ORDER

The Commission finds that after statutory notice the captioned enforcement proceeding was heard by the examiner on September 10, 2015 and that the respondent, A & P Oil & Gas (Op. No. 000480), 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. Flo A. Perry d/b/a A & P Oil & Gas (Op. No. 000480), (“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 July 21, 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 July 15, 2013, Respondent, filed an Organization Report (Form P-5) with the Commission reporting that its officers consisted of the following individual(s): Flo A. Perry, Owner.
4. Flo A. Perry, 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 designated itself to the Commission as the operator of the Nona Jo (15232) Lease ,by filing a Form P-4 (Certificate of Compliance and Transportation Authority) effective on September 1, 2004.
6. Respondent’s P-5 (Organization Report) became delinquent on May 1, 2014. Respondent had a \$25,000 cash deposit as its financial assurance at the time it became delinquent.
7. The violations of Commission rules committed by respondent are related to safety and the control of pollution.
8. Commission District inspection reports made on April 5, 2012, May 21, 2012, July 10, 2012, August 13, 2012, and October 10, 2012, and reports filed by Respondent with the Commission (reflecting zero production) since July 2008 and no reports filed with the Commission since October 2013,

showed that the Nona Joe Lease (Lease No. 15232), Well No. 1 has been inactive for a period greater than one year. Production from the subject well ceased on or before June 2008.

9. The subject well does not have a plugging extension.
10. The total estimated cost to the State for plugging the Nona Jo (15232) Lease, Well No. 1 is \$68,287.00.
11. The Respondent charged with the violation herein recited has a history of violations of Commission rules. Respondent settled Oil and Gas Docket No. 03-0253316 on April 8, 2008, for a total of \$750.00.

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 14(b)(2).
6. Respondent is responsible for maintaining the subject lease in compliance with Statewide Rule 14(b)(2), which requires that plugging operations on each dry or inactive well shall be commenced within a period of one year after drilling or operations cease and shall proceed with due diligence until completed.
7. Respondent is responsible for maintaining the subject lease and subject well in compliance with all applicable Commission rules according to Statewide Rules 14, 58, and 79 and Chapters 89 and 91 of the Texas Natural Resources Code.
8. 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.
9. 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, Flo A. Perry, 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. Flo A. Perry d/b/a A & P Oil & Gas (Op. No. 000480), shall plug the Nona Jo (15232) Lease, Well No. 1, Halliday (Woodbine) Field, Leon County, Texas in compliance with applicable Commission rules and regulations; and
2. Flo A. Perry d/b/a A & P Oil & Gas (Op. No. 000480), shall pay to the Railroad Commission of Texas, for disposition as provided by law, an administrative penalty in the amount of **TEN THOUSAND EIGHT HUNDRED FORTY DOLLARS (\$10,840.00)**.

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/rnf

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