

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0300612

IN RE: P-5 ORGANIZATION REPORT OF BANYAN OPERATING, LLC

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. Banyan Operating, LLC [Operator #048732] (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, 2015.
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 Banyan Operating, LLC's P-5 Organization Report is hereby **DENIED**.

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

It is further ORDERED that Banyan Operating, LLC 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 Banyan Operating, LLC 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 25 days after the Commission's Order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). 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 Commission Order is signed.

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 7, 2016.)

API Number	District	ID Number	Lease Name	Well Number
137 30796	01	16912	WARDLAW	P 9
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30797	01	16912	WARDLAW	P 6
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30799	01	16912	WARDLAW	P 7
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30802	01	16912	WARDLAW	P 3
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30803	01	16912	WARDLAW	P 8
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30804	01	16912	WARDLAW	P 2
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30809	01	16912	WARDLAW	P 11
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30834	01	16912	WARDLAW	P 13
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30835	01	16912	WARDLAW	P 12
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30836	01	16912	WARDLAW	P 14
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30869	01	16912	WARDLAW	22
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30872	01	16912	WARDLAW	25
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30873	01	16912	WARDLAW	26
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30874	01	16912	WARDLAW	28
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
137 30876	01	16912	WARDLAW	29
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30882	01	16912	WARDLAW	42
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30883	01	16912	WARDLAW	32
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30884	01	16912	WARDLAW	33
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30885	01	16912	WARDLAW	43
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30886	01	16912	WARDLAW	37
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30887	01	16912	WARDLAW	44
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30888	01	16912	WARDLAW	31
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30889	01	16912	WARDLAW	39
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30890	01	16912	WARDLAW	40
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30891	01	16912	WARDLAW	41
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30892	01	16912	WARDLAW	38
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30893	01	16912	WARDLAW	36
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30894	01	16912	WARDLAW	30
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				

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Exhibit A

API Number	District	ID Number	Lease Name	Well Number
137 30895	01	16912	WARDLAW	35
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30896	01	16912	WARDLAW	34
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30967	01	16912	WARDLAW	52
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30984	01	16912	WARDLAW	54
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30985	01	16912	WARDLAW	55
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 30986	01	16912	WARDLAW	56
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31115	01	16912	WARDLAW	73
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31255	01	16912	WARDLAW	100
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31256	01	16912	WARDLAW	101
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31257	01	16912	WARDLAW	102
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31262	01	16912	WARDLAW	113
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31263	01	16912	WARDLAW	112
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31264	01	16912	WARDLAW	111
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31265	01	16912	WARDLAW	110
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				

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API Number	District	ID Number	Lease Name	Well Number
137 31266	01	16912	WARDLAW	109
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31267	01	16912	WARDLAW	108
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31268	01	16912	WARDLAW	107
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31269	01	16912	WARDLAW	106
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31270	01	16912	WARDLAW	105
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31271	01	16912	WARDLAW	104
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31272	01	16912	WARDLAW	103
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31298	01	16912	WARDLAW	116
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31299	01	16912	WARDLAW	114
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31300	01	16912	WARDLAW	115
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31301	01	16912	WARDLAW	117
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31407	01	16912	WARDLAW	119
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31431	01	16912	WARDLAW	122
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31473	01	16912	WARDLAW	72
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				

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API Number	District	ID Number	Lease Name	Well Number
137 31477	01	16912	WARDLAW	76
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31478	01	16912	WARDLAW	74
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31483	01	16912	WARDLAW	75
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31488	01	16912	WARDLAW	89
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31507	01	16912	WARDLAW	123
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31508	01	16912	WARDLAW	124
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31509	01	16912	WARDLAW	125
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31510	01	16912	WARDLAW	126
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31511	01	16912	WARDLAW	127
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31512	01	16912	WARDLAW	128
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31513	01	16912	WARDLAW	129
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31603	01	16912	WARDLAW	130
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31605	01	16912	WARDLAW	131
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31606	01	16912	WARDLAW	132
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				

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API Number	District	ID Number	Lease Name	Well Number
137 31607	01	16912	WARDLAW	133
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31638	01	16912	WARDLAW	134
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31639	01	16912	WARDLAW	135
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31640	01	16912	WARDLAW	136
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				
137 31641	01	16912	WARDLAW	137
Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file				

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