

MICHAEL L. WILLIAMS, CHAIRMAN
VICTOR G. CARRILLO, COMMISSIONER
ELIZABETH A. JONES, COMMISSIONER

**RAILROAD COMMISSION OF TEXAS
FORMAL COMMISSION ACTIONS
FEBRUARY 26, 2008**

After providing notice as required by the Texas Open Meetings Act, the Railroad Commission of Texas held an open meeting at the William B. Travis Building, 1701 N. Congress Avenue, in Room 1-111, Austin, Texas, on Tuesday, February 26, 2008, commencing at 9:30 a.m. Chairman Michael L. Williams and Commissioners Victor G. Carrillo and Elizabeth A. Jones were present. Chairman Williams presided.

OFFICE OF GENERAL COUNSEL – HEARINGS SECTION

SURFACE MINING AND RECLAMATION

1. Docket No. C6-0021-SC-34-F: application by Luminant Mining Company LLC for release of reclamation obligations for 985.9 acres of its surface coal mining operations for Permit No. 34E, Monticello Winfield Mine, Titus and Franklin Counties, Texas. The Commission unanimously approved the application.

OIL AND GAS PROTESTED

2. O&G 10-0254841: Mobeetie Resource Dev LLC to consider a sour gas pipeline pursuant to Rule 106, Patterson 45 Well #9 MCF, Mobeetie (Ellenberger) Field, Wheeler County, Texas. The Commission unanimously approved the application.

3. O&G 05-0252491: Devon Energy Production Co, L.P. to amend the field rules for the Nan-Su-Gail (Cv Consolidated) Field, Freestone County, Texas. The Commission unanimously approved this item.

4. O&G 10-0252412: DCP Midstream, LP Commission-called hearing to provide DCP Midstream, LP the opportunity to show cause why W-14 Permit No. 11455 to dispose of oil and gas waste into a formation not productive of oil or gas, Sneed Plant H2S Injection (186450) Lease, Well No.1, Panhandle (GR.Wash-H2S Displ) (68825240) Field, Moore County, Texas, should not be modified, suspended, or terminated in accordance with 16 Tex. Admin. Code §3.9(6)(A). The Commission unanimously approved the order.

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5. O&G 10-0252413: DCP Midstream, LP to consider the application of DCP Midstream, LP (195918), to inject fluid containing hydrogen sulfide gas into a reservoir productive of oil or gas, pursuant to Statewide Rules 36 and 46, Sneed Plant H2S Injection (186450) Lease, Well No.1, Panhandle Moore County (68901001) Field, Moore County, Texas. The Commission unanimously approved the application.

6. O&G 7B-0251655: Frontier Resources, Inc. enforcement action regarding Moseley, Fred K. (14427) Lease, Well Nos. 1 & 2 Comanche-Hites (Caddo) (19893500) Field, Parker County, Texas. Violation of Rule 14(d)(12). The Commission unanimously approved the enforcement order.

7. O&G 05-0250329: Willowbend Investments, Inc. to consider an exception to SWR 38 for the McKee's Port Unit Lease, Well No. 1D, Newark, East (Caddo Lime) (65280230) Field, Newark, East (Barnett Shale) (65280200) Field, Tarrant County, Texas. The Commission unanimously approved the Order Nunc Pro Tunc.

8. O&G 04-0246645: Betty Eyhorn to consider a qualified subdivision for the Eyhorn Subdivision No. 1, Various Fields, Hidalgo County, Texas. The Commission unanimously approved the application.

9. O&G 04-0246646: Betty Eyhorn to consider a qualified subdivision for the Eyhorn Subdivision No. 2 Lease, Various Fields, Hidalgo County, Texas. The Commission unanimously approved the application.

10. O&G 01-0249492: Cinco Natural Resources Corp. application pursuant to Statewide Rule 78(g) for an exception to the financial security requirements for all applicant-operated wells within the State of Texas. Commissioner Carrillo and Commissioner Jones voted to grant an extension of time for the completion of H-15 testing. Chairman Williams voted no. A revised order was presented at the end of conference for signatures.

AGREED ENFORCEMENT ORDERS

The Commission unanimously approved the following agreed orders:

11. 08-0253435: Raider Oil & Gas Company enforcement action regarding Moseley, J. M., et al. (23254) Lease, Well No. 02, White Horse (Cl. Fk. 2900) (96936500) Field, Crane County, Texas. Violation of Rule 14(b)(2) and (3).

12. O&G 06-0249049: GGP Exploration, Ltd. enforcement action regarding Bethany NE. Waterflood Ut. 3 (05145) Lease, Well Nos. 1ws, 2, 3ws, 302, 402, 1002, 1104, 1105, 1107, 1108, 2001, 2002, 2003, 2503, 2505, 2201, & 2506, Bethany, NE. (Jenkins) (07530284) Field, Panola County, Texas. Violation of Rules 14(b)(2) and (3) and 3(2).

13. O&G 09-0252804: Cooper Oil & Gas, Inc. enforcement action regarding Campbell, R., Estate -E- (07110) Lease, Well Nos. 34 & 41, Young County Regular (99480001) Field, Young County, Texas. Violation of Rules 9(1) and 46(a).

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14. O&G 04-0253290: I.T. Properties enforcement action regarding Cox, B. W. (117300) Lease, Well No.1, Lou Ella (3150) (55078615) Field, San Patricio County, Texas. Violation of Rule 73(i).

15. O&G 03-0252792: Americo Energy Resources, LLC enforcement action regarding (019752) Operator, Drilling District #22 (174340) Lease, Well No.5, Houston, South (Shallow Miocene) (42908660) Field, Krahn, A. E. (05878) Lease, Well No. 4, Tomball, W. (Treseler) (90628426) Field, Reynolds, R. R. (08795) Lease, Well No. 7, Houston, South (Oligocene) (42908550) Field, Harris County, Texas. Violation of Rule 14(b)(2) and (3).

16. O&G 01-0246080: Donoco Oil Company enforcement action regarding Pruseski, Annie (08767) Lease, Well No. 01, Jones (47092001) Field, Bexar County, Texas. Violation of Rule 14(b)(2).

17. O&G 01-0254490: Petrogas Operating Corporation enforcement action regarding (660279) Operator, Cowey, J. M. (07403) Lease, Well No. 01, Giddings (Austin Chalk-1) (34726510) Field, Gonzales County, Texas. Violation of Rules 14(b)(2), 3(1), (2), and (3), and 8(d)(1).

18. O&G 03-0243231: Expro Engineering, Inc. enforcement action regarding Metzger Swd (22391) Lease, Well No.4 Dr, Bay City, East (06288001) Field, Matagorda County, Texas. Violation of Rule 14(b)(2).

19. GUD No. 07-9748: Atmos Energy Corp., Mid-Tex Division, enforcement action for violation of Commission Pipeline Safety Rule 49 CFR §192.703, at Irving Unit 3405 of System 610304, Irving, Dallas County, Texas.

20. GUD No. 9775: Atmos Energy Corp., Mid-Tex Division, enforcement action for violation of Commission Pipeline Safety Rules 49 CFR §192.703(c) and 49 CFR §192.613(a), at Fort Worth, Tarrant County, Texas.

OIL AND GAS UNPROTESTED

CONSENT AGENDA

The Commission unanimously approved the following applications:

21. O&G 01-0254597: Lake Travis Ranch, LLC for approval of a proposed qualified subdivision pursuant to SWR 76 for a 148.526 acre tract, C.H. Cox Survey No. 44 and Beatty, Seale & Forwood Survey No. 45, Travis County, Texas.

22. O&G 02-0254699: El Paso E & P Company, L. P. to consider a new field designation for the Rodgers Gas Unit Lease, Well No. 1, to be known as the Neighborhood (Lower Wilcox) Field, Lavaca County, Texas.

23. O&G 03-0255102: National Offshore LP to consider a new field designation for the State Tract 72 Lease, Well No.1, Umbrella Point (Vicksburg Gyrok) Field, Chambers County, Texas.

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24. O&G 04-0255101: Sequoia Management, LLC to consider an MER for the Duval County Ranch Company "K" Lease, Well No.47, Charamousca, W. (Wilcox 4) (17115595) Field, Duval County, Texas.

25. O&G 10-0250628: Latigo Petroleum Texas, LP to consider an MER, a net GOR, and cancellation of overproduction, Courson Ranch 148 Lease, Well No. 5, Alpar-Lips (St. Louis) Field, Ochiltree County, Texas.

26. O&G 7C-0253741: BC Operating, Inc. to consider an MER for the Pink Draw North (14874) Lease, Joned (Fusselman) Field, Reagan County, Texas.

27. O&G 7C-0254870: Horizon Exploration Services to consider permanent field rules for the False Arrowhead (King Sand) Field, Runnels County, Texas.

28. O&G 7C-0255099: EOG Resources, Inc. to consider a net gas-oil ratio for Shannon Hospital A 4 Lease, Well No.13, Noelke (Wolfcamp, Lower) (65674400) Field, Crockett County, Texas.

29. O&G 8A-0254128: Halvey Energy, LLC to consider permanent field rules for the Givens (Clearfork, Lo.) (35119200) Field, Lubbock County, Texas.

30. O&G 8A-0255063: Kala Oil Company application to supercede the provisions of the Order entered on August 2, 2005, in O&G Docket No. 8A-0242076 requiring the plugging of Well No. 1 on the Countess (66889) Lease, Swanson (Atoka) (87520500) Field, Lubbock County, Texas, and to recognize Kala Oil Company as the operator.

31. O&G 03-0255495: Mosbacher Energy Company to consider administrative rescission of the permanent gas field rules for the Vickers (Y-2) and Vickers (Y-3) Fields, Hardin County, Texas.

MASTER DEFAULT ORDERS

The Commission unanimously approved the following default orders:

32. O&G 01-0253431: Greywolf Energy Operating Corp. enforcement action regarding (333765) Operator, Cowley Lease, Well No. 1 (0610371) Permit, Wildcat (00002001) Field, Atascosa County, Texas. Violation of Rules 14(b)(2) and 16(b).

33. O&G 09-0253332: Red River Operating & Drlg. Co. enforcement action regarding (697059) Operator, Goetze -D- (18820) Lease, Well No. 09, Wichita County Regular (97155001) Field, Wichita County, Texas. Violation of Rules 14(b)(2), 3(2), and 46(j).

34. O&G 09-0253805: Red River Exploration, Inc. enforcement action regarding Roller Estate (17742) Lease, Well Nos.12, & 13 Wichita County Regular (97155001) Field, Wichita County, Texas. Violation of Rules 14(b)(2), 13(b)(1)(B), 3(2), and 46(j).

35. O&G 6E-0250859: Martin, Billy Ray enforcement action regarding Laird, Roy H. Block 122 (06509) Lease, Well Nos.1 & 2 East Texas (27302001) Field, Gregg County, Texas. Violation of Rule 14(b)(2).

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36. O&G 03-0252776: Enforcement action against Louisiana Natural Gas E&P Co. (509515), for violations of statewide rules on the High Island Block 55-L Lease, Well No. 2U (139947), High Island Blk 55-1 (Disc B-4) Field, High IS-LB County, Texas.

37. LP-Gas Docket No. 01914: Enforcement action against Garner Welding Supply for alleged violations of Commission LP-Gas Safety Rule in Burlison and Johnson Counties, Texas.

ADMINISTRATIVE MATTERS

SAFETY DIVISION

38. Consideration of implementation of the Path Forward recommendations in the Study Report on Compression Type Couplings. The Commission unanimously approved this item.

OIL AND GAS DIVISION

39. Fiscal Year 2007 Oil Field Cleanup Annual Report. The Commission unanimously approved the report.

COMMISSIONERS

Chairman Williams

40. Timeline for issuing Safety Division investigation reports. The Commission unanimously approved the timeline for the completion of the investigation reports.

41. IT support for Safety Division. This item was an informational item and the Commission took no formal action.

PUBLIC INPUT

42. The Commission will provide an opportunity for general public input on any matter under the jurisdiction of the Commission, in accordance with the policy adopted on September 7, 2005. Mr. Jay Marcom, representing himself, provided public input at this time.

The conference was adjourned at 11:05 am.