

**RAILROAD COMMISSION OF TEXAS
FORMAL COMMISSION ACTIONS
SEPTEMBER 9, 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, September 9, 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

OIL AND GAS PROTESTED

1. O&G 0252782: Chesapeake Operating, Inc. to consider an exception to Statewide Rules 37/38 for the Barkley Lease, Well No. 3701, Texas Hugoton Field, Sherman County, Texas. The Commission unanimously denied the application and the request for oral argument.

2. O&G 09-0251621: Rasher Energy, Inc. enforcement action regarding Arnold, C. S. (00286) Lease, Well Nos. 2, 7, 13, 14, 17, 19, 22, 23, 24, 25, 28, 34, 35, 43, 44, 45, 46, 48, 49, 50, 51, 52, 53, 54, 55, and 36, Archer County Regular Field, Archer County, Texas. Violation of Statewide Rules 14(b)(2) and (3); 13(b)(1)(B); 3(1), (2), and (3); and 16(b). The Commission unanimously approved the enforcement order recommended by the examiner.

3. O&G 05-0251057: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 2, 3, and 4, Wright -A- (00310) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

4. O&G 05-0251058: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 10, 11r, 23, and 25, Wright, J. J. W. & H. (00309) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

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5. O&G 05-0251059: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 1t, 2t, 14, 23, and 24, Mirus, South (00293) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

6. O&G 05-0251060: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 5 and 16, Dreeben /Cen. Pet. No. 2/ (00269) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

7. O&G 05-0251061: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 2, 4, 7, 11, 13r, and 18, Garvin, J. A. (00148) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

8. O&G 05-0251062: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 1r, 2r, 3, 4, 5r, 13, 14, and 14a, Pierce (01720) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

9. O&G 05-0251063: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 20r, 26r, 36r, 41r, and 56, McKinney (00289) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones denied the application for the McKinney Lease. Commissioner Carrillo voted no.

10. O&G 05-0251064: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 1r, 2r, 4, 5, 7, 8, 11, and 16, Breithaupt, C. A. (00142) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

11. O&G 05-0251065: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 5 and 6, Bounds, Rex T. (01430) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

12. O&G 05-0251066: Texas M.O.R., Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 4c, 8c, 9c, 14c, 18a, 20a, 36, and 43, Chapman -C- (01407) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

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13. O&G 05-0251067: Texas M.O.R, Inc. to consider an exception to Statewide Rule 21 pertaining to fire prevention and swabbing of Well Nos. 4r, 18, and 32, Blackburn (00263) Lease, Corsicana (Shallow) (20823500) Field, Navarro County, Texas. Chairman Williams and Commissioner Jones approved the application. Commissioner Carrillo voted no.

14. Status #665639: Application of Devon Energy Production Co. LP for a permit to drill Well No. 2H, DCCO 3 - DCCO 1 (SA) Unit, Denton County, Texas, as a horizontal well in the Newark, East (Barnett Shale) Field, pursuant to a production sharing agreement with less than 90% agreement of interest owners. Commissioners Jones and Carrillo voted to approve, directing staff that wells that are permitted based on a production sharing agreement should be approved when the usual criteria are met and the operator certifies that at least 65% of the working and royalty interest owners in each component tract have signed the production sharing agreement. Chairman Williams voted no. (This language came from Colin Lineberry)

MOTION FOR REHEARING

15. O&G 09-0254085: Hughes, Bill Drilling, Inc. enforcement action regarding Powell (23720) Lease, Well Nos. 1, 2, 4, 5, and 6, Young County Regular (99480001) Field, Young County, Texas. Violation of Statewide Rules 14(b)(2); 13(b)(1)(B); 3(1) and (2); 9(11) and (12); and 16(b). The Commission unanimously denied the motion for rehearing.

AGREED ENFORCEMENT ORDERS

The Commission unanimously approved the following agreed orders:

16. O&G 02-0256712: Osyka Permian, LLC enforcement action regarding Michot, Mrs. Kate B. (077388) Lease, Well No. 2, Sheriff (F-2) (83141152) Field, Calhoun County, Texas. Violation of Statewide Rule 14(b)(2).

17. O&G 03-0257336: Suemaur Expl. & Prod., LLC enforcement action regarding Plite et al. Lease, Well No. 1 (0648035) Permit, Wildcat (00006001) Field, Galveston County, Texas. Violation of Statewide Rule 8(d)(1).

18. O&G 01-0249368: JJRS Investments Inc. enforcement action regarding Muil, Charles (01276) Lease, Well No. 01, Muil (Carrizo Sand) (63658250) Field, Muil, Chas. (01280) Lease, Well No. 2, Muil (Queen City Sand) (63658750) Field, Atascosa County, Texas. Violation of Statewide Rules 14(b)(2) and (3); 3(1), (2), and (3); and 8(d)(1).

19. O&G 03-0256172: Cimarex Energy Co. Of Colorado enforcement action regarding (153429) Operator, Phillips (11104) Lease, Well No. 01, Clinton (Frio 5000) (18992112) Field, Harris County, Texas. Violation of Statewide Rules 14(b)(2) and 3(1) and (2).

20. O&G 02-0253442: JTB Oil Company, Inc. enforcement action regarding Shay, Mary A. -B- (05031) Lease, Well No. 1, Circle -A-, North (Frio 4950) (18245500) Field, Goliad County, Texas. Violation of Statewide Rule 14(b)(2) and (3).

21. O&G 01-0258303: Texas Land Operating, LLC enforcement action regarding Davenport Unit (13503) Lease, Well No. 1, Nixon (65586001) Field, Guadalupe County, Texas. Violation of Statewide Rule 58(a).

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22. O&G 09-0256293: WG Operating, Inc. enforcement action regarding Allen, R. S. (05292) Lease, Wichita County Regular (97155001) Field, Bywaters, B. A. (26757) Lease, Wichita County (Special) (97160100) Field, Wichita County, Texas. Violation of Statewide Rule 8(d)(1).

23. O&G 03-0253319: Hardin Energy Co., Inc. enforcement action regarding Janecka, D. "A" (00700) Lease, Well Nos. 1, 2a, and 3a, Cistern (18322001) Field, Fayette County, Texas. Violation of Statewide Rule 8(d)(1).

24. O&G 09-0257794: Cruthird, Mark Oil enforcement action regarding George -C- (16687) Lease, Wichita County Regular (97155001) Field, Wichita County, Texas. Violation of Statewide Rule 8(d)(1).

25. LP-Gas Docket No. 1949: Amerigas Propane, L.P. enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.135, at Thad Ziegler Glass Inc., San Antonio, Bexar County, Texas.

26. LP-Gas Docket No. 1954: Coastal Butane Service enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.301 (adopting by reference NFPA 54, §4.2.3), at 6720 Kacel Road, Beasley, Fort Bend County, Texas.

27. LP-Gas Docket No 1961: Inergy Propane L.L.C. enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.401 (adopting by reference NFPA 58, §6.4.5), at City of Terrell (City Garage), 1100 Airport Road, Terrell, Kaufman County, Texas.

28. LP-Gas Docket No. 1970: G.N., Inc. d/b/a Food and Fuel Stop enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.7(f), at its facility in Kilgore, Gregg County, Texas.

29. LP-Gas Docket No. 1971: Ferrellgas, L.P. enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.132, at We Are Crazy d/b/a County Pantry, Vidor, Jasper County, Texas.

30. LP-Gas Docket No. 1974: Gracon Construction, Inc. enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.13, at Brown County Water District (West), Brownwood, Brown County, Texas.

31. LP-Gas Docket No. 1975: Ferrellgas, L.P. enforcement action for violation of LP-Gas Safety Rule 16 TAC §9.132, at G.N., Inc. d/b/a Food and Fuel Stop, Kilgore, Gregg County, Texas.

32. Damage Prevention Docket No. 000155: Badeco Boring and Utility Construction enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 732 Culebra, San Antonio, Bexar County, Texas.

33. Damage Prevention Docket No. 000173: Badeco enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 467 Glen Oak, San Antonio, Bexar County, Texas.

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34. Damage Prevention Docket No. 000228: J&F Signs enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 1809 Trenton, Edinburg, Hidalgo County, Texas.

35. Damage Prevention Docket No. 000414: Austin Energy enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 1422 Collier Street, Austin, Travis County, Texas.

36. Damage Prevention Docket No. 000426: Atmos Energy Corp., Mid-Tex Div. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.8(b), at Sinlac & Delagate, Farmers Branch, Dallas County, Texas.

37. Damage Prevention Docket No. 000433: Dallas County Water Control & Improvement Dist. #8 enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 10940 Lake June Road, Balch Springs, Dallas County, Texas.

38. Damage Prevention Docket No. 000435: City of Tyler enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 2347 Cotton Road, Tyler, Smith County, Texas.

39. Damage Prevention Docket No. 000443: Lynn Electric Motor Co., Inc. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.3(a), at 916 FM 2279, Knox City, Stonewall County, Texas.

40. Damage Prevention Docket No. 000445: Atmos Energy Corp., Mid-Tex Div. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.1, at 5505 Broadway Blvd, Garland, Dallas County, Texas.

41. Damage Prevention Docket No. 000447: Atmos Energy Corp., Mid-Tex Div. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.5(a), at 5000 Town East Mall, Mesquite, Dallas County, Texas.

42. Damage Prevention Docket No. 000448: Kaiser Plumbing LLC enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §§18.11(b) and 18.3(a), at 3435 Siebenthaler, Houston, Harris County, Texas.

43. Damage Prevention Docket No. 000455: Custom Outdoor Construction & Landscape enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §§18.11(b) and 18.3(a), at 206 Valverde, Santa Rosa, Cameron County, Texas.

44. Damage Prevention Docket No. 000457: San Antonio Water System enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 6 Oak Plaza, San Antonio, Bexar County, Texas.

45. Damage Prevention Docket No. 000471: Tom the Plumber enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §§18.11(b) and 18.3(a), at 11331 Corolola Trails Dr. Houston, Harris County, Texas.

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46. Damage Prevention Docket No. 000473: City of Garland enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §§18.11(b) and 18.3(a), at 4714 Broadway, Garland, Dallas County, Texas.

47. Damage Prevention Docket No. 000474: Brannan Paving Co., LTD enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 3400 Block of Nimitz Street, Victoria, Victoria County, Texas.

48. Damage Prevention Docket No. 000537: C&S Utility Contractors, Inc. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at Cannon Street, Fort Worth, Tarrant County, Texas.

49. Damage Prevention Docket No. 000542: M-Co Construction, Inc. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at Southwest Corner of Tripp Road and Amesbury, Mesquite, Dallas County, Texas.

50. Damage Prevention Docket No. 000545: Mercer Construction Company enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §§18.11(b) and 18.10(b), at 1201 E. George, Port Lavaca, Calhoun County, Texas.

51. Damage Prevention Docket No. 000547: Gerald Seeton Construction enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at 500 Block of Oak Tree, New Braunfels, Comal County, Texas.

52. Damage Prevention Docket No. 000553: Ellis & Ellis, Inc. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at Luskey near Camp Bullis, San Antonio, Bexar County, Texas.

53. Damage Prevention Docket No. 000557: Fort Bend Excavation, Inc. enforcement action for violation of Underground Pipeline Damage Prevention Rule 16 TAC §18.11(b), at FM 521, Alvin, Fort Bend County, Texas.

OIL AND GAS UNPROTESTED

CONSENT AGENDA

The Commission unanimously approved the following applications:

54. O&G 02-0256154: Double Play Oil & Gas, Inc to consider an MER and a net GOR for the McNeill North (09162) Lease, Well No. 3 T, C. A. Winn (Yegua 5320) Field, Live Oak County, Texas.

55. O&G 02-0256155: Double Play Oil & Gas, Inc to consider an MER and a net GOR for the McNeill North (09161) Lease, Well No. 3 C, C. A. Winn, NE. (Hockley 4300) Field, Live Oak County, Texas.

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56. O&G 02-0257479: Gulf Energy Exploration Corp. to supersede the final order signed on January 28, 2008, in O&G Docket No. 02-0248303 only insofar as it required that the State Tract 596-1, NE/4 Lease, Well No. 3 Unit (RRC No. 079076) Sherman Offshore, SW (3020) Field, and State Tract 596-1, NE/4 Lease, Well No. 3lt (RRC No. 079121), Sherman Offshore, SW (3950) Field Calhoun County, Texas, be plugged, enabling Gulf Energy Exploration Corp. to become the operator of record.

57. O&G 02-0257480: Gulf Energy Exploration Corp. to supersede the final order signed on January 28, 2008, in O&G Docket No. 02-0248304 only insofar as it required that the State Tract 707-S (158317) Lease, Well No. 1 U (RRC No. 060757) Sherman Offshore, (3900) Field, Calhoun County, Texas, be plugged, enabling Gulf Energy Exploration Corp. to become the operator of record.

58. O&G 02-0257481: Gulf Energy Exploration Corp. to supersede the final order signed on January 28, 2008, in O&G Docket No. 02-0248306 only insofar as it required that the State Tract 708-S (158317) Lease, Well No. 5-t and Well No. 5c Sherman Offshore (1700) Field and Sherman Offshore (2000) Field Calhoun County, Texas, be plugged, enabling Gulf Energy Exploration Corp. to become the operator of record.

59. O&G 02-0257482: Gulf Energy Exploration Corp. to supersede the final order signed on January 28, 2008, in O&G Docket No. 02-0248308 only insofar as it required that the State Tract 719-S Lease, Well No. 1 U (RRC No. 131844) and State Tract 719-S (132259) Lease, Well No. 1 L, (RRC No. 132259) Sherman Offshore, W (1700 Mio) Field, Sherman Offshore (2900 A) Field Calhoun County, Texas, be plugged, enabling Gulf Energy Exploration Corp to become the operator of record.

60. O&G 03-0255994: Kelpetro, Inc. to supersede the final order signed on December 18, 2007, in O&G Docket No. 03-0252769 requiring that the Manvel Gas Unit (208313) Lease, Well No. 1, Manvel, W. (Miocene B) (57245400) Field, Brazoria County, Texas, be plugged, enabling Kelpetro, Inc., to become the operator of record.

61. O&G 03-0258105: Apache Corporation to consider temporary field rules for the Giddings (Eagleford) (34733610) Field, Lee, Brazos, and Burleson Counties, Texas.

62. O&G 03-0258435: XTO Energy Inc. to consolidate the Sheridan (Wilcox), Sheridan (Wilcox H), Sheridan (Wilcox S) and Sheridan (Wilcox T) fields into a single field to be known as the Sheridan (Wilcox Consolidated) Field, and to adopt field rules for the consolidated field, Colorado County, Texas.

63. O&G 06-0258001: Wagner & Brown, Ltd. to amend the field rules for the Overton (Cotton Valley Sand) Field, Smith, Cherokee, and Rusk Counties, Texas.

64. O&G 06-0258002: Wagner & Brown, Ltd. to amend the field rules for the Woodlawn (Cotton Valley) Field, Harrison and Marion Counties, Texas.

65. O&G 06-0258187: Culver & Cain Production LLC to amend the field rules for the Mary Blevins (Paluxy B) Field, Smith County, Texas.

66. O&G 10-0258182: Cimarex Energy Co. to amend the field rules for the Buffalo Wallow (Granite Wash) Field, Hemphill and Wheeler Counties, Texas.

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67. O&G 10-0258183: Cimarex Energy Co. to amend the field rules for the Red Deer Creek (Granite Wash) Field, Roberts and Hemphill Counties, Texas.

68. O&G 7B-0257659: HGN Operating I, LLC to consider unitization and secondary recovery authority for the proposed Bull Field Unit, Bull (Gray Sand) Field, Runnels County, Texas.

69. O&G 7C-0258185: Layline Petroleum I, LLC to amend the field rules for the I. A. B., Ne. (Penn. 5150) Field, Coke County, Texas.

70. O&G 7B-0258188: Momentum Operating Co., Inc. to amend the field rules for the Lueders, S. (King Sand) Field, Jones County, Texas.

71. O&G 10-0257958: Cordillera Texas, L.P. for the recommendation of a tight gas formation for the Morrow Formation of the Horse Creek, NW (Morrow Lo), Barton Creek (Morrow Lower) and Kelln (Morrow, Lo.) Fields, Lipscomb and Ochiltree Counties, Texas.

72. O&G 04-0258588: El Paso E & P Zapata, L.P. for the recommendation of a tight gas formation for the Wilcox Formation of the Roleta (Wilcox Consolidated) Field, Zapata County, Texas.

73. O&G 04-0258587: El Paso E & P Zapata, L.P. for the recommendation of a tight gas formation for the Wilcox Formation of the Roleta (Wilcox Consolidated) Field, Zapata County, Texas.

74. O&G 06-0258478: Chesapeake Operating, Inc. for the recommendation of a tight gas formation for the Travis Peak Formation of the Southern Pine (Travis Peak) Field, Cherokee County, Texas.

75. O&G 02-0258479: Tidal Petroleum, Inc. for the recommendation of a tight gas formation for the Wilcox Formation of the Cosden, West (Wilcox 9500) Field, Bee County, Texas.

76. O&G 7C-0257727: Pioneer Natural Res. USA, Inc. to establish an entity for density for the Pembroke Unit (04088) Lease, Spraberry (Trend Area) (85279200) Field, Upton County, Texas.

77. O&G 8A-0256992: Brown, Geo. R Partnership, LP, to establish an entity for density for the City of Post San Andres "A" WFL (60713) Lease, Garza (34113001) Field, Garza County, Texas.

78. O&G 8a-0257579: Occidental Permian Ltd. to establish an entity for density for the Flanagan Unit (66633) Lease, Harris (39242001) Field, Gaines County, Texas.

79. O&G 8A-0258307: Energen Resources Corporation for authority pursuant to Statewide Rule 50 to approve or certify an EOR project for the North Robertson Unit (65930) Lease, Robertson, N. (Clear Fork 7100) (77318666) Field, Gaines County, Texas.

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80. Claim by Stanton Freeze against the proceeds from the sale of salvage recovered during State-funded plugging operations on the following wells: Jo Jo Oil Co. (433135), Wolf, D. L. -A- Lease (07257), Well Nos. 1, 2, 3, 4, 6, 8, 10, 12, 13, 14, 15, 17, 18, 19, 22, and 28, Young County Regular Field, Young County, Texas; State-funded Plug Code 09-14657.

81. Claim by Trinity Universal Insurance against the proceeds from the sale of salvage recovered during State-funded plugging operations on the following wells operated by American Energy Operating Corporation: Quintette Lease (23362), Well Nos. B-11, B-13 and D-21, Dayton, N. (5000 Sand) Field, Liberty County, Texas, State-funded Plug Code 03-14663; Robash Lease (00446), Well Nos. 1, 2A, 3, 4, 8A, 10, 11 and 14, Blue Ridge Field, Fort Bend County, Texas, State-funded Plug Code 03-14664; and Romitch Lease (09369), Well Nos. 1, 2 and 3, Blue Ridge Field, Fort Bend County, Texas, State-funded Plug Code 03-14665.

MASTER DEFAULT ORDERS

The Commission unanimously approved the following default orders:

82. O&G 02-0253872: Samurai Operating Co. L.L.C. enforcement action regarding Geffert Unit (06293) Lease, Well No. 02, Chapa, Lucio (06316) Lease, Well No. 02, Chapa "A" Unit (07633) Lease, Well No. 01, Houdman (Pettus B) (42833425) Field, Live Oak County, Texas. Violation of Statewide Rule 14(b)(2) and (3).

83. O&G 03-0254089: Petroleum Capital, L.C. enforcement action regarding Campbell (05924) Lease, Well No. 4, Muscadine (Wilcox 1st Seg B) (64044400) Field, Orange County, Texas. Violation of Statewide Rule 14(b)(2) and (3).

84. O&G 04-0254379: Tristar Exploration, Inc. enforcement action regarding Ramirez (094610) Lease, Well No. 14, Rachal (4300) (74120620) Field, Brooks County, Texas. Violation of Statewide Rules 14(b)(2) and 3(1).

85. O&G 7b-0254426: Rockoil Energy of Texas, Inc. enforcement action regarding (723451) Operator, Byrd, L.S. (091753) Lease, Well No. 2, Byrd (Marble Falls) (14160500) Field, Parker County, Texas. Violation of Statewide Rules 14(b)(2) and 3(2) and (3).

ADMINISTRATIVE MATTERS

SAFETY DIVISION

86. Initiation of rulemaking to amend rules in Chapter 18, Underground Pipeline Damage Prevention, relating to emergency procedures and times for filing damage reports. The Commission unanimously approved this item.

OIL AND GAS DIVISION

87. Authority to award an extended service contract for plugging wells with state funds, Requisition Number 455-8-1527, for 23 wells located in Atascosa County (District 01); estimated value \$404,410. The Commission unanimously approved the extended service contract.

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88. Authority to award an extended service contract for plugging wells with state funds, Requisition Number 455-8-1365, for 11 wells located in Jim Wells County and Duval County (District 04); estimated value \$306,910. The Commission unanimously approved the extended service contract.

89. Update on the Daisetta sinkhole. The Commission received the division's latest update regarding the sinkhole.

COMMISSIONERS

Commissioner Carrillo

90. Consider seeking emergency funding to address accumulated backlogs in certain critical areas of the Commission. The Commission unanimously approved going forward and developing a plan to seek emergency funding.

PUBLIC INPUT

91. 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. No member of the public provided input at this time.

The conference was adjourned at 10:40 am.