RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
HEARINGS SECTION

OIL & GAS DOCKET NO. 7B-0234575

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ENFORCEMENT ACTION AGAINST ROBERT V. RATT'S, INCORPORATED (OPERATOR NO. 694755) AND/OR BILBO WIRE LINE SERVICE, INC. (OPERATOR NO. 070788) FOR VIOLATION OF A STATEWIDE RULE ON THE STEWART (25251) LEASE, WELL NO. 1, Saxon-Guion (Morris) Field, Taylor County, Texas

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FINAL ORDER

The Commission finds that after statutory notice the captioned enforcement proceeding was heard by the examiner who has circulated a Proposal for Decision containing Findings of Fact and Conclusions of Law. Having been duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas, those Findings of Fact and Conclusions of Law are hereby adopted and made a part hereof by reference.

It is accordingly ORDERED that:

1. The Form P-4 (Producer’s Transportation Authority and Certificate of Compliance) filed with the Commission’s Austin office on August 29, 2002, to change the operator of the Stewart (25251) Lease, Saxon-Guion (Morris) Field, Taylor County, Texas, from Robert V. Ratts, Incorporated to Bilbo Wire Line Service, Inc., is APPROVED effective February 1, 2000, for the limited purpose of assigning responsibility for regulatory compliance on the lease;

2. Within 30 days from the date on which this Order becomes final, Bilbo Wire Line Service, Inc., shall place the Stewart (25251) Lease, Saxon-Guion (Morris) Field, Taylor County, Texas, into compliance with Statewide Rule 14(d)(12) [16 TEX. ADMIN. CODE §3.14(d)(2)];

3. Within 30 days from the date on which this Order becomes final, Bilbo Wire Line Service, shall remit to the Railroad Commission of Texas for disposition as provided by law an administrative penalty in the amount of ONE THOUSAND DOLLARS ($1,000.00); and

4. As to the respondent Robert V. Ratts, Incorporated, the complaint in this docket is DISMISSED with prejudice.

It is further ORDERED by the Commission that this order shall not be final and effective until 20 days after a party is notified of the Commission’s order. A party is presumed to have been notified of the Commission’s order three days after the date on which the notice is actually mailed. If a timely motion for
rehearing is filed by any party of 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 order is served on the parties.

Each exception to the examiner's proposal for decision not expressly granted herein is overruled. 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 ____ day of __________, 2004, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS

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CHAIRMAN VICTOR G. CARRILLO

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COMMISSIONER CHARLES R. MATTHEWS

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COMMISSIONER MICHAEL L. WILLIAMS

ATTEST:

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SECRETARY