

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 20-0288563

IN RE: P-5 ORGANIZATION REPORT OF LOGAS ENERGY, 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. Logas Energy, LLC [Operator #505860] (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 December 1, 2013.
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 Logas Energy, LLC's P-5 Organization Report is hereby **DENIED**.

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

It is further ORDERED that Logas Energy, 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 Logas Energy, 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 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 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 the order.

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 May 6, 2014.)

API Number	District	ID Number	Lease Name	Well Number
047 00020 No approved W-3X on file	04	117437	SOUTH LA GLORIA GAS UNIT	24
047 00024 No approved W-3X on file	04	120344	SOUTH LA GLORIA GAS UNIT	21
047 00029 No approved W-3X on file	04	126258	LA GLORIA GAS UNIT	68
047 00030 No approved W-3X on file	04	114049	LA GLORIA GAS UNIT	33
047 00045 No approved W-3X on file	04	057083	LA GLORIA GAS UNIT	34
047 00047 No approved W-3X on file	04	064490	LA GLORIA G.U.	89
047 00049 No approved W-3X on file	04	047737	LA GLORIA GAS UNIT	70
047 00053 No approved W-3X on file	04	138038	SOUTH LA GLORIA GAS UNIT	10
047 00055 Surface equipment must be removed (certify on Form W-3C) No approved W-3X on file	04	044825	LA GLORIA GAS UNIT	66
047 00064 No approved W-3X on file	04	049798	SOUTH LA GLORIA GAS UNIT	19
047 00084 No approved W-3X on file	04	114882	LA GLORIA GAS UNIT	75
047 00121 No approved W-3X on file	04	133165	LA GLORIA GAS UNIT	32
047 31501 No approved W-3X on file	04	146057	LA GLORIA GAS UNIT	109
047 31569 No approved W-3X on file	04	196624	CHURCH OF THE BRETHREN	7
047 31573 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	04	208073	LA GLORIA GAS UNIT	113
047 31896 No approved W-3X on file	04	179758	CHURCH OF THE BRETHREN UNIT	9 F
047 31896 No approved W-3X on file	04	179762	CHURCH OF THE BRETHREN UNIT	9 D
249 03315 No approved W-3X on file	04	125369	STEWART - JONES UNIT #2	2

Docket No. 20-0288563

Exhibit A

API Number	District	ID Number	Lease Name	Well Number
249 03322 No approved W-3X on file	04	03194	STEWART-JONES UNIT #1	6
249 03325 No approved W-3X on file	04	03192	BLUCHER, C. F. H.	16
249 03329 No approved W-3X on file	04	155652	BLUCHER, C. F. H.	23
249 03330 Electricity must be disconnected (certify on Form W-3C) No approved W-3X on file	04	097599	BLUCHER, C. F. H.	25LU
249 03332 No approved W-3X on file	04	10791	BLUCHER, C. F. H.	28
249 03332 No approved W-3X on file	04	162754	BLUCHER, C.F.H.	28
249 03406 No approved W-3X on file	04	011412	LA GLORIA GAS UNIT	27 C
249 03406 No approved W-3X on file	04	011400	LA GLORIA GAS UNIT	27 T
249 03430 No approved W-3X on file	04	058929	LA GLORIA GAS UNIT	51
249 03447 No approved W-3X on file	04	107952	LA GLORIA GAS UNIT	83
249 03454 No approved W-3X on file	04	045880	LA GLORIA GAS UNIT	54
249 03458 No approved W-3X on file	04	138644	LA GLORIA GAS UNIT	80
249 03461 No approved W-3X on file	04	011440	LA GLORIA GAS UNIT	28
249 03487 No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval	04	047568	LA GLORIA GAS UNIT	69
249 03499 No approved W-3X on file	04	03192	BLUCHER, C. F. H.	1
249 03501 No approved W-3X on file	04	148659	BLUCHER, C. F. H.	8
249 03503 No approved W-3X on file	04	081826	BLUCHER, C.F.H.	31
249 03522 No approved W-3X on file	04	124463	BLUCHER, C.F.H.	32

Docket No. 20-0288563

Exhibit A

API Number	District	ID Number	Lease Name	Well Number
249 03673 No approved	04 W-3X on file	054776	BLUCHER, C. F. H.	41 L
249 03673 No approved	04 W-3X on file	13656	BLUCHER, C.F.H.	41 U
249 03675 No approved	04 W-3X on file	03192	BLUCHER, C. F. H.	40 L
249 03675 No approved	04 W-3X on file	122873	BLUCHER, C.F.H.	40 U
249 03860 No approved	04 W-3X on file	044301	BLUCHER, C. F. H.	43
249 30003 No approved	04 W-3X on file	110904	BLUCHER, C.F.H.	45LU
249 31145 No approved	04 W-3X on file	119345	LA GLORIA GAS UNIT Production fluids must be purged (certify on Form W-3C)	97
249 31205 No approved	04 W-3X on file	114057	LA GLORIA GAS UNIT	105
249 31242 No approved	04 W-3X on file	104031	LA GLORIA GAS UNIT	99
249 31371 No approved	04 W-3X on file	151470	LA GLORIA GAS UNIT	98
249 31396 No approved	04 W-3X on file	139055	LA GLORIA GAS UNIT	100
249 31816 No approved	04 W-3X on file	10663	MAUN, S. ET AL	2
249 31862 No approved	04 W-3X on file	140078	BLUCHER, C. F. H.	50
249 31863 No approved	04 W-3X on file	03192	BLUCHER, C. F. H.	49
249 31895 No approved	04 W-3X on file	124046	LA GLORIA GAS UNIT	108
249 31902 No approved	04 W-3X on file	146059	LA GLORIA GAS UNIT	106
249 31916 No approved	04 W-3X on file	10791	BLUCHER, C. F. H.	52 U
249 31916 No approved	04 W-3X on file	132230	BLUCHER, C.F.H.	52 L

Docket No. 20-0288563

Exhibit A

API Number	District	ID Number	Lease Name	Well Number
249 31925	04	133220	BLUCHER, C.F.H.	51RU
No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval				
249 31925	04	03192	BLUCHER, C. F. H.	51
No approved W-3X on file Must resolve Field Operations H-15 delinquency preventing 14B2 approval				
249 31944	04	03192	BLUCHER, C. F. H.	53
No approved W-3X on file				
249 31949	04	03192	BLUCHER, C. F. H.	54
No approved W-3X on file				
249 31950	04	10791	BLUCHER, C. F. H.	55UT
No approved W-3X on file				
249 31950	04	143906	BLUCHER, C.F.H.	55-L
No approved W-3X on file				
249 31951	04	166739	BLUCHER, C. F. H.	56
No approved W-3X on file				
249 31952	04	122264	BLUCHER, C.F.H.	57
No approved W-3X on file				
249 31955	04	133161	LA GLORIA GAS UNIT	110
No approved W-3X on file				
249 31991	04	155387	BLUCHER, C. F. H.	59
No approved W-3X on file				
249 32036	04	150651	STEWART-JONES UNIT NO. 1	7
No approved W-3X on file				
249 32073	04	150614	LA GLORIA GAS UNIT	112
No approved W-3X on file				
249 32149	04	137760	SEELIGSON, ARTHUR A. ET AL	7
No approved W-3X on file				
249 32151	04	138426	SEELIGSON, ARTHUR A. ET AL	8
No approved W-3X on file				

Docket No. 20-0288563

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