RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

OIL & GAS DOCKET NO. 7B-0309654

SINGLE SIGNATURE P-4 FILING OF ROBUCK PETROLEUM, LLC (OPERATOR NO. 722177) FOR THE DAWS (30085) LEASE, WELL NO. 1, MCKEICHAN (CADDDO) FIELD, THROCKMORTON COUNTY, TEXAS, TO CHANGE THE OPERATOR FROM POWELL-MCCARROLL PARTNERSHIP (OPERATOR NO. 674803) TO ROBUCK PETROLEUM, LLC

FINAL ORDER

The Commission finds that after notice and opportunity for hearing, the operator of the captioned lease did not respond, and the docket proceeded as a default. The proceeding 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 Facts and Conclusions of Law.

FINDING OF FACT

1. At least twenty days’ notice was given to Powell-McCarroll Partnership (Operator No. 674803), ("P-M"), and Robuck Petroleum, LLC (Operator No. 722177), ("Robuck").

2. P-M is the operator of record for the Daws (30085) Lease, Well No. 1, McKeichan (Caddo) Field, Throckmorton County, Texas.

3. On or about February 23, 2018, Robuck submitted to the Commission a Form P-4 Certificate of Compliance and Transportation Authority requesting transfer of the Daws (30085) Lease, Well No. 1, McKeichan (Caddo) Field, Throckmorton County, Texas, from P-M to Robuck, as operator of record.

4. All Commission correspondence to P-M was sent via United States Postal Service first-class mail to P-M's address of record, as set forth on P-M's most recent Form P-5 Organization Report.

5. All Commission correspondence to Robuck was sent via United States Postal Service first-class mail to Robuck's address of record, as set forth on Robuck's most recent Form P-5 Organization Report.

6. On or about March 1, 2018, the Administrative Law Judge requested in writing that P-M either: (1) provide evidence that it holds a good faith claim to a continuing right to operate the referenced property; or (2) request a hearing on the matter on or before April 2, 2018. This writing expressly notified the operator that failure to timely request a hearing would constitute waiver of the opportunity to request a hearing on the matter.
7. P-M's Form P-5 is delinquent. P-M had a $50,000.00 bond as its financial assurance at the time of the last Form P-5 annual renewal submission.

8. Robuck's Form P-5 is active. Robuck has a $50,000.00 letter of credit as its financial assurance.

9. A "good faith claim" is defined in Commission Statewide Rule (15)(a)(5) as "a factually supported claim based on a recognized legal theory to a continuing possessory right in the mineral estate, such as evidence of a currently valid oil and gas lease or a recorded deed conveying a fee interest in the mineral estate."

10. No production has been reported on the subject lease since April 2013.

11. P-M failed to reply to the Administrative Law Judge's letter dated March 1, 2018, with any documents that it holds a "good faith claim" to a continuing right to operate the subject lease and failed to timely request a hearing.

12. P-M does not have a "good faith claim" to operate the subject lease.

13. Pursuant to TEX. GOV'T CODE §§ 2001.056 and 2001.062(e), P-M and Robuck have waived the opportunity to request a hearing on the matter.

14. Robuck now asserts a "good faith claim" to a continuous right to operate the subject lease.

15. The Daws (30085) Lease, Well No. 1, McKeichan (Caddo) Field, Throckmorton County, Texas, should be transferred to Robuck as operator of record.

CONCLUSIONS OF LAW

1. Proper notice of hearing was timely issued to appropriate persons entitled to notice.

2. All things necessary to the Commission attaining jurisdiction has occurred.

3. Resolution of this docket is a matter committed to the jurisdiction of the Commission. TEX. GOV'T CODE §§ 81.051.

4. P-M does not have a "good faith claim" to continue to operate the Daws (30085) Lease, Well No. 1, McKeichan (Caddo) Field, Throckmorton County, Texas.

5. Robuck does have a "good faith claim" to continue to operate the Daws (30085) Lease, Well No. 1, McKeichan (Caddo) Field, Throckmorton County, Texas.

IT IS THEREFORE ORDERED that the application of Robuck Petroleum, LLC for transfer of the Form P-4 "Certificate of Compliance and Transportation Authority" is hereby APPROVED, subject to the provisions of TEX. NAT. RES. CODE §§ 91.107, 91.114, 91.142 and TEX. ADMIN. CODE § 3.15.
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 of an application 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 100 days from the date Commission Order is signed.

All pending motions and requests for relief not previously or herein granted are denied.

Done this 24th day of April 2018, Austin, Texas.

Railroad Commission of Texas (Order approved and signatures affixed by Hearings Division Unprotested Master Order dated April 24, 2018)