

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL & GAS DOCKET NO. 20-0327171**

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**IN RE: P-5 ORGANIZATION REPORT OF BACON ENERGY**

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**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. Bacon Energy [Operator #042398] (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 January 1, 2020.
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 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 Bacon Energy's P-5 Organization Report is hereby **DENIED**.

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

**It is further ORDERED** that Bacon Energy 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 Bacon Energy 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 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 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 the Commission Order is signed.

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 September 1, 2020.)

API Number	District	ID Number	Lease Name	Well Number
059 32905 No approved W-3X on file	7B	22805	ROGERS, LUTHER "A"	4
133 30213 No approved W-3X on file	7B	141980	KINNEBREW, L. L.	1A
133 30233 No approved W-3X on file	7B	141982	KINNEBREW, L. L.	2A
133 30259 No approved W-3X on file	7B	10556	ABBOTT-REYNOLDS	4
133 30269 No approved W-3X on file	7B	155315	RINGLING LAKE (BEARD)	1
133 30270 No approved W-3X on file	7B	155313	RINGLING LAKE (BEARD)	2
133 30627 No approved W-3X on file	7B	152745	GARRETT	1
133 30639 No approved W-3X on file	7B	10556	ABBOTT-REYNOLDS	5
133 32385 No approved W-3X on file	7B	224770	BEARD -4-	4 A
133 34556 No approved W-3X on file	7B	113542	THOMAS, CAGLE "B"	1
133 34583 No approved W-3X on file	7B	105053	MURDOCK NO. 2	2
133 34864 No approved W-3X on file	7B	20572	GORR, GARL D.	2
133 35568 No approved W-3X on file	7B	110314	TEXFEL-BECK	1
133 35760 No approved W-3X on file	7B	110891	GRAY, L.Z.	1
133 35833 No approved W-3X on file	7B	226473	CATON, NELL	1
133 35982 No approved W-3X on file	7B	162827	HOOD KING	1
133 36379 No approved W-3X on file	7B	22683	BACON	1
133 36508 No approved W-3X on file	7B	132380	BACON	2
133 36773 No approved W-3X on file	7B	125631	DANNY MIZE UNIT	1

**Exhibit A**  
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API Number	District	ID Number	Lease Name	Well Number
133 36828 No approved W-3X on file	7B	200419	CITY OF EASTLAND-CAIN UNIT	1
133 36991 No approved W-3X on file	7B	138661	POGUE , ONIE	1
133 80580 No approved W-3X on file	7B	01610	BRASHEARS, HOUSTON	1
133 80687 No approved W-3X on file	7B	07675	BRASHEAR, HOUSTON	1
363 20106 No approved W-3X on file	7B	044016	BRACKEEN, A. H.	3
363 34738 No approved W-3X on file	7B	167864	LANE	107
417 00138 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	8A
417 32867 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	13
417 32909 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	14
417 32941 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	12
417 32993 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	15
417 35965 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	1C
417 37670 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	1
417 80189 No approved W-3X on file	7B	105498	SHELTON-PIPPEN	7 A
417 81533 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	1B
417 81534 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	2
417 81535 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	3B
417 81539 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	9B
417 81540 No approved W-3X on file	7B	03526	SHELTON & PIPPEN	10A

**Exhibit A**  
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