

RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

Oil and Gas Docket No. 20-0325508

§ APPLICATION OF PROLINE ENERGY
§ RESOURCES INC. (681327) FOR
§ UNRESTRICTED RENEWAL OF ITS P-5 AND
§ TO CONTEST THE STAFF DETERMINATION
§ THAT THE P-5 CANNOT BE RENEWED DUE TO
§ NON-COMPLIANCE WITH THE INACTIVE WELL
§ REQUIREMENTS OF STATEWIDE RULE 15

March 26, 2020

NOTICE OF HEARING

Date, Location, and Place of Hearing- Notice is hereby given that a public hearing will be held at **1:30 p.m. on Monday, May 11, 2020**, at the offices of the Railroad Commission of Texas (Commission) located in the William B. Travis State Office Building, at 1701 N. Congress Avenue, Austin, Texas, in a room number to be posted on the bulletin board in the first-floor lobby. If the hearing is not concluded on the day it commences, it will be continued from day to day until concluded.

If you are planning to attend the hearing, please be aware of changes to traffic patterns and the availability of metered parking in the area due to the Capitol Complex Construction project. There is limited metered parking in the capitol complex area. You may find paid parking at the Bob Bullock Museum across the street from the William B. Travis State Office Building or there is also a Capitol Visitors Parking Garage at 1201 San Jacinto Blvd. For access to the building, you can enter through the ground level from Brazos St. You may want to consider the additional time for parking and entering the building. Map and additional information is available on the RRC website at <https://www.rrc.texas.gov/about-us/organization-activities/visiting-the-railroad-commission-in-the-william-b-travis-state-office-building/>.

Purpose of Hearing- The purpose of the hearing is to allow the parties to present evidence and consider all issues of fact and law raised in or relevant to the Application. The issues that may be addressed at the hearing include, but are not limited to, the following:

1. A statement of the matters asserted and the nature of the Applicant's hearing request is in the attached Appendix A.
2. Any other issues raised in the pleadings, evidence, or argument that are necessary for the Commission to render a final decision on the merits of this case.

Failure to Appear- All parties, protestants or persons intending to participate at the hearing must attend the hearing. Failure to appear at any prehearing conference or the hearing in this case may result in **dismissal of that party's claim or protest**, or default against that party/protestant and claims. See, e.g., TEX. GOV'T CODE § 2001.056, 16 TEX. ADMIN. CODE § 1.107.

Appearance at Hearing- All persons or parties supporting, opposing or protesting this Application and intending to participate in the hearing must complete and file with Docket Services the enclosed Notice of Intent to Appear at Hearing Protest form at least **five business days** prior to the hearing date in this Notice of Hearing. **This form is required even if a prior written response was submitted to the previously issued "Notice of Application."** A copy of the form should be served on the Applicant and any other parties of record.

Legal Authority and Jurisdiction- The Commission has jurisdiction over Applicant and over the matters at issue in this proceeding pursuant to TEX. NAT. RES. CODE title 3, subtitles A, B and C, TEX. WATER CODE chapters 26, 27 and 29, and TEX. GOV'T CODE chapter 2001.

Particular Statutes and Rules Involved- The statutes and rules applicable to this proceeding include but are not limited to the following:

- TEX. NAT. RES. CODE, title 3, subtitles A, B and C;
- Commission rules in 16 TEX. ADMIN. CODE chapters 1 and 3;
- TEX. WATER CODE chapters 26, 27 and 29; and
- Statutes and rules referenced in Appendix A, if any, of this Notice of Hearing.

Continuance of Hearing- Any request for continuance of this hearing must be filed in Docket Services **no later than five business days prior to the hearing date**. Copies of such request must be served to all parties shown on the service list. 16 TEX. ADMIN. CODE § 1.45(a)(1).

Ex parte Communications Prohibited- Ex parte communications (e.g. phone calls and emails) with the examiners and Commissioners are prohibited. TEX. GOV'T CODE § 2001.061, 16 TEX. ADMIN. CODE § 1.7.

Written Transcript of the Hearing- **If a case is protested or becomes protested, the party requesting commission action in this case will need to obtain a court reporter no later than 21 days before the hearing.** Typically, this would include the applicant, complainant, and similarly situated parties in other types of cases. See 16 Tex. Admin. Code § 1.111. If an examiner or party requests a written transcript, the Commission may assess the cost to one or more parties. This includes paying the court reporter's fees for the preparation of the original transcript for the Commission's official records and one copy for use by the examiners in preparing their written recommendation. To obtain a court reporter, contact Dave Howard & Associates Court Reporters at 512-282-0313 or dave@howardreporters.com.

Hearing Exhibits- All exhibits must be clearly marked and submitted in duplicate. If a party wants to offer an exhibit admitted in a prior proceeding, the party must provide a properly identified copy as an exhibit for the record in this proceeding. Additionally, if a court reporter is used, a copy of all exhibits must be given to the court reporter at the time of the hearing.

Auxiliary Aids or Services for Persons with a Disability- Any individual with a disability who needs auxiliary aids and services to have an equal opportunity to effectively communicate and participate in the hearing must request such aids or services at least two weeks prior to the hearing by notifying the Commission's Docket Services by mail at P. O. Box 12967, Austin, Texas 78711-2967 or by telephone at (512) 463-6848 or TDD No. (800) 735-2989.

Service List- The Applicant shall review this Notice of Hearing and the attached Certificate of Service for accuracy and completeness and shall immediately notify Docket Services of any discrepancy or omission.

APPENDIX A

This hearing will be held to consider the application of PROLINE ENERGY RESOURCES INC. for unrestricted renewal of its P-5 Organization Report and to contest the Staff determination that the P-5 renewal application of PROLINE ENERGY RESOURCES INC. cannot be renewed due to failure to comply with the requirements of Statewide Rule 15 [16 Tex. Admin. Code §3.15].

Pursuant to 16 Texas Administrative Code § 1.111, the Commission requests that an official transcript of this proceeding be prepared by a Certified Shorthand Reporter, the cost of which is hereby assigned to PROLINE ENERGY RESOURCES INC., the Applicant. IT IS PROLINE ENERGY RESOURCES INC.'s RESPONSIBILITY TO ARRANGE FOR THE APPEARANCE OF THE CERTIFIED COURT REPORTER AND TO TIMELY PAY THE COST FOR PREPARATION OF THE TRANSCRIPT. Failure to do so may result in dismissal of the application for failure to prosecute in the interest of justice pursuant to 16 Tex. Admin. Code § 1.107. Please contact - Dave Howard, Court Reporter, of Dave Howard and Associates, at (512) 282-0313 or dave@howardreporters.com.

If you have questions regarding this Application, please contact the Applicant's representative, Peter Oyewole, at (713) 409-5659. If you have any questions regarding the hearing procedure, please contact Docket Services at (512) 463-6848 or at Room 12-123. Additional information about the hearing process can be found at www.rrc.texas.gov/hearings.

To access the Commission's Statewide Rules, start from the Commission's Home Page, click on "General Counsel" (upper right side of page) and follow the path: Rules, Current Rules, T.A.C. Chapter 3, Rule Number.

Check the Weekly Hearing Schedule on the Commission website at: <http://www.rrc.texas.gov/hearings/hearing-schedules/> the day prior to the hearing to confirm that it will go forward as scheduled.

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Notice of Hearing in Oil and Gas Docket No. **20-0325508** was served on each of the persons named below by depositing same in the United States Mail, Inter-Agency Mail, or Inter-Agency E-Mail, as follows:

PROLINE ENERGY RESOURCES INC.
4645 SWEETWATER BLVD SUITE 500
SUGAR LAND, TX 77479

PROLINE ENERGY RESOURCES INC.
ATTN: PETER OYEWOLE
PO BOX 20134
SUGAR LAND, TX 77479

LORENZO GARZA
ASSISTANT DEPUTY DIRECTOR
ADMINISTRATIVE COMPLIANCE
RRC - AUSTIN
Via Intra-Agency Email

JOE STASULLI
ASSISTANT DEPUTY DIRECTOR
ADMINISTRATIVE COMPLIANCE
RRC - AUSTIN
Via Intra-Agency Email

OLIN MACNAMARA
GEOLOGIST
FIELD OPERATIONS
RRC - AUSTIN
Via Intra-Agency Email

PAUL DUBOIS
ASSISTANT DIRECTOR
O&G DIVISION TECHNICAL PERMITTING
RRC - AUSTIN
Via Intra-Agency Email

JENNIFER GILMORE
MANAGER
P-5 FINANCIAL ASSURANCE UNIT
RRC - AUSTIN
Via Intra-Agency Email

TIM POE
LEGAL ENFORCEMENT
RRC - AUSTIN
Via Intra-Agency Email

On this the **26th** day of March 2020.

Joseph Menefe

Paralegal, Hearings Division
Railroad Commission of Texas

HEARINGS DIVISION
PO Drawer 12967
Austin, TX 78711-2967

NOTICE OF INTENT TO APPEAR AT HEARING

A Copy of this Notice of Intent to Appear at Hearing must be mailed to the Applicant and to Docket Services, P.O. Drawer 12967, Austin, TX 78711-2967. It must be received by Docket Services at least five business days in advance of the hearing date.

APPLICANT: PROLINE ENERGY RESOURCES INC. (681327)
CASE/DOCKET NO.: 20-0325508
STATUS NO.:

_____, representing _____,
(Print Name) (Print Name)
hereby enters this Notice of Intent to Appear at Hearing as (Check one of the referenced party status):
_____ **Applicant** _____ **Protestant** _____ **Observer** or _____ **In Support of Application** and states
he/she or his/her representative will appear and participate at the hearing.

I further certify that, as of today's date, I have mailed or delivered a copy of this Notice of Intent to Appear at Hearing form to the Applicant at the address shown in the Certificate of Service.

Signature Date
Telephone: Area Code: (____) _____

Email Address: _____
(OPTIONAL - If provided, e-mail address will become part of this public record; See TEX. GOV'T CODE § 552.137)

TIME ESTIMATE (total required for your presentation at the hearing): _____

ADDRESS TO WHICH NOTICE WAS SENT:

_____ Is correct _____ Is incorrect and should be corrected to:

Street City State Zip Code

ADDITIONAL NOTICE SHOULD BE SENT TO THE REPRESENTATIVE SHOWN BELOW:

(Print Name)

Street City State Zip Code



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

CONSENT TO ELECTRONIC SERVICE AND NOTIFICATION OF DOCUMENTS, RULINGS, DECISIONS, AND ORDERS

Effective September 1, 2015, Section 2001.142 (Notification of Decisions and Orders) of the Texas Government Code was amended to allow a state agency to notify each party to a contested case of any decision or order of the agency, if agreed to by the party to be notified, by electronic means sent to the current e-mail address of the party's attorney of record or of the party if the party is not represented by counsel. Tex. Gov't Code § 2001.142(a)(2).

Current rules of the Railroad Commission of Texas ("Commission") require the Commission to serve "a pleading or document" by "hand-delivering a copy to the person to be served, or by first class, certified, or registered mail, commercial delivery service, fax, email, or by such other manner as the Commission may require." Commission Practice and Procedure rules, §1.45(e)(2) and §1.45(b). According to §1.45(b)(1)(D), "Service by email may be used if the person to be served consents to be served by email pursuant to §1.27 or §1.32 of this title (relating to Parties and Authorized representatives, and Form and Content of Pleadings, respectively). If the person consents to be served by email, the person affirmatively consents to the release and disclosure of the email address. Email service is complete on the date of the email transmission. An email received after 5 p.m. local time of the recipient shall be deemed served on the following business day."

Completion of this form is optional

In lieu of service and notification by mail, _____ (party name or attorney) on behalf of _____ hereby agrees and consents to electronic service and notification of all documents, rulings, decisions, and orders from the Railroad Commission of Texas in Docket No. _____ by the following electronic means:

[] E-mail at: _____

Authorized by:

_____ (signature)
 _____ (print name)
 _____ (firm)

By requesting electronic service, all orders, proposals for decision, and other documents and communications to me in this docket will be provided to me by e-mail at the address set forth above. I will no longer receive paper copies of any documents in this docket. I also understand and agree that it is my responsibility to inform Docket Services and other parties of any changes to my e-mail address. By accepting the terms of this service my e-mail address will be shown on the service list of this docket and available to the Commission, other parties and will become part of this public record; See Tex Gov't Code §552.137. I am responsible for ensuring that my e-mail filters and settings allow the delivery of e-mails from the RRC and all other parties to this case. **If the pleading contains 10 or fewer pages including exhibits, it may be filed by fax, email, or other approved electronic transmission with the Docket Services Section.** If a party or authorized representative elects to file a pleading by email, the party or authorized representative agrees to be served by email and affirmatively consents to the release and disclosure of the email address.

RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

Oil and Gas Docket No. 08-0325025

March 26, 2020

§ APPLICATION OF OASIS PETROLEUM
§ PERMIAN LLC (617484) PURSUANT TO
§ STATEWIDE RULE 40 FOR THE YADON STATE
§ E 34-192 LEASE, WELL NO. 6205H, PHANTOM
§ (WOLFCAMP) FIELD, WARD COUNTY, TEXAS;

NOTICE OF PREHEARING CONFERENCE

Date, Location, and Place of Hearing and Prehearing Conference- Notice is hereby given that a public prehearing conference will be held at **9:00 a.m.** on **Thursday, April 23, 2020**, at the offices of the Railroad Commission of Texas (Commission) located in the William B. Travis State Office Building, at 1701 N. Congress Avenue, Austin, Texas, in a room number to be posted on the bulletin board in the first-floor lobby. If the prehearing conference is not concluded on the day it commences, it will be continued from day to day until concluded. **Notice is hereby given that a public hearing on the merits, if necessary, will be held at a time and date to be confirmed at the prehearing conference.**

If you are planning to attend the hearing, please be aware of changes to traffic patterns and the availability of metered parking in the area due to the Capitol Complex Construction project. There is limited metered parking in the capitol complex area. You may find paid parking at the Bob Bullock Museum across the street from the William B. Travis State Office Building or there is also a Capitol Visitors Parking Garage at 1201 San Jacinto Blvd. For access to the building, you can enter through the ground level from Brazos St. You may want to consider the additional time for parking and entering the building. Map and additional information is available on the RRC website at <https://www.rrc.texas.gov/about-us/organization-activities/visiting-the-railroad-commission-in-the-william-b-travis-state-office-building/>.

Purpose of Prehearing Conference- The purpose of the prehearing conference is to allow the parties to present evidence and to consider all issues of fact and law referenced in attached Appendix A.

Purpose of Hearing on the Merits- The purpose of the hearing on the merits is to allow the parties to present evidence and to consider all issues of fact and law referenced in attached Appendix B.

Failure to Appear- All parties, protestants or persons intending to participate at the hearing must attend the prehearing conference and hearing. Failure to appear at a prehearing conference and a hearing in this case may result in **dismissal of that party's claim or protest**, or default against that party/protestant and claims. See, e.g., Tex. Gov't Code § 2001.056, 16 Tex. Admin. Code § 1.107.

Appearance at Prehearing Conference and Hearing- All persons or parties supporting, opposing or protesting this Application and intending to participate in the hearing or prehearing conference **must** complete and file with Docket Services the enclosed Notice of Intent to Appear form at least **five business days** prior to the hearing date and at least **five business days** prior to the prehearing conference date. **This form is required even if a prior written response was submitted to the previously issued "Notice of Application."** A copy of the Notice of Intent to Appear form should be served on the Applicant and any other parties of record. 16 TEX. ADMIN. CODE § 1.45(a)(1).

Legal Authority and Jurisdiction- The Commission has jurisdiction over Applicant and over the matters at issue in this proceeding pursuant to Tex. Nat. Res. Code title 3, subtitles A, B and C, Tex. Water Code chapters 26, 27 and 29, and Tex. Gov't Code chapter 2001.

Particular Statutes and Rules Involved- The statutes and rules applicable to this proceeding include but are not limited to the following:

- Tex. Nat. Res. Code, title 3, subtitles A, B and C;
- Tex. Water Code, chapters 26, 27 and 29;
- Commission rules in 16 Tex. Admin. Code chapters 1 and 3; and
- Statutes and rules referenced in Appendix A and B, if any.

Continuance of Prehearing Conference- Any request for continuance of the hearing or prehearing conference must be filed in Docket Services **no later than five business days prior to the hearing or prehearing conference date.** 16 Tex. Admin. Code § 1.105(a)(2). Copies of such request must be served to all parties shown on the service list.

Ex Parte Communications Prohibited- Ex parte communications (e.g. phone calls and emails) with the examiners and Commissioners are prohibited. Tex. Gov't Code § 2001.061, 16 Tex. Admin. Code § 1.7.

Written Transcript of the Hearing- If a case is protested or becomes protested, the party requesting commission action in this case will need to obtain a court reporter no later than 21 days before the hearing. Typically, this would include the applicant, complainant, and similarly situated parties in other types of cases. See 16 Tex. Admin. Code § 1.111. If an examiner or party requests a written transcript, the Commission may assess the cost to one or more parties. This includes paying the court reporter's fees for the preparation of the original transcript for the Commission's official records and one copy for use by the examiners in preparing their written recommendation. To obtain a court reporter, contact Dave Howard & Associates Court Reporters at 512-282-0313 or dave@howardreporters.com.

Exhibits- All exhibits must be clearly marked and submitted in duplicate to the examiners. If a party wants to offer an exhibit admitted in a prior proceeding, the party must provide a properly identified copy as an exhibit for the record in this proceeding. Additionally, if a court reporter is used, a copy of all exhibits must be given to the court reporter at the time of the prehearing conference or hearing.

Auxiliary Aids or Services for Persons with a Disability- Any individual with a disability who needs auxiliary aids and services to have an equal opportunity to effectively communicate and participate in the hearing must request such aids or services at least two weeks prior to the hearing by notifying the Commission's Docket Services by mail at P. O. Box 12967, Austin, Texas 78711-2967 or by telephone at (512) 463-6848 or TDD No. (800) 735-2989.

Audio/Visual Computer Presentations- Requests for setting up a presentation need to be made in writing **no less than three business days prior to the hearing or prehearing conference date.** Please contact Docket Services to complete a Presentation Setup Help Desk Questionnaire Form.

Service List- The Applicant shall review this Notice of Prehearing Conference and the attached Certificate of Service for accuracy and completeness and shall immediately notify Docket Services of any discrepancy or omission.

APPENDIX A

Purpose of Prehearing Conference -The purpose of the prehearing conference is to address matters preliminary to the hearing on the merits, including hearing any outstanding motions, establishing a hearing date and procedural schedule, and addressing other preliminary matters as determined by the examiners. Non-exclusive examples of motions that might be considered include motions to dismiss, motions regarding jurisdiction, motions regarding a party's standing and/or motions related to discovery. **All motions to be considered must be filed and served on all parties at least ten days before the prehearing conference.**

APPENDIX B

Purpose of Hearing on the Merits - The purpose of this hearing is to consider the application of Oasis Permian LLC(642652) for an Exception to Statewide Rule 40 (16 Tex. Admin. Code § 3.40), relating assignment of acreage to pooled development and proration units, for the Yadon State E 34-192 Lease, Well No. 6205H, Drilling Permit No. 850024, Phantom (Wolfcamp) Field, Ward County, Texas.

If you have questions regarding this Application, please contact the Applicant's representative, Doug Dashiell at (512) 495-6300. If you have any questions regarding the hearing procedure, please contact Docket Services at (512) 463-6848 or at Room 12-123. Additional information about the prehearing conference process can be found at www.rrc.texas.gov/hearings.

To access the Commission's Statewide Rules, start from the Commission's Home Page, click on "General Counsel" (upper right side of page) and follow the path: Rules, Current Rules, T.A.C. Chapter 3, Rule Number.

Check the Weekly Hearing Schedule on the Commission website at: <http://www.rrc.texas.gov/hearings/hearing-schedules/> the day prior to the prehearing conference to confirm that it will go forward as scheduled.

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Notice of Prehearing Conference in Oil and Gas Docket No. **08-0325025** was served on each of the persons named below by depositing same in the United States Mail, Inter-Agency Mail, or Inter-Agency E-Mail, as follows:

OASIS PETROLEUM PERMIAN LLC
1001 FANNIN ST SUITE 1500
HOUSTON TX 77002

DOUG DASHIELL
2319 PRUETT STREET
AUSTIN, TEXAS 78703

MAVERICK NATURAL RESOURCES
1111 BAGBY STREET
SUITE 1600
HOUSTON, TEXAS 77002

DOUG DASHIELL
FOR OASIS PERMIAN LLC
SCOTT DOUGLASS & MCCONNICO LLP
303 COLORADO, SUITE 2400
AUSTIN, TX 78701

FORTRESS ENERGY DELAWARE, LLC
1208 W. WALL STREET
MIDLAND, TEXAS 79701

LORENZO GARZA, ASSISTANT DEPUTY DIRECTOR
ADMINISTRATIVE COMPLIANCE
RRC - AUSTIN
Via Intra-Agency Email

MCM PERMIAN, LLC
223 W. WALL STREET
SUITE 400
MIDLAND, TEXAS 79701

JOE STASULLI, ASSISTANT DEPUTY DIRECTOR
ADMINISTRATIVE COMPLIANCE
RRC - AUSTIN
Via Intra-Agency Email

CENTRALIA PERMIAN, LLC
1701 RIVER RUN
SUITE 306
FORT WORTH, TEXAS 76107

OWEN MCNAMARA, ENGINEER
FIELD OPERATIONS
RRC - AUSTIN
Via Intra-Agency Email

ANADARKO E&P ONSHORE LLC
5 GREENWAY PLAZA
SUITE 110
HOUSTON, TEXAS 77046

PAUL DUBOIS, ASSISTANT DIRECTOR
O&G DIVISION TECHNICAL PERMITTING
RRC - AUSTIN
Via Intra-Agency Email

On this the **26th** day of **March** 2020.

Joseph Menefe

Paralegal, Hearings Division
Railroad Commission of Texas

HEARINGS DIVISION
PO Drawer 12967
Austin, TX 78711-2967

NOTICE OF INTENT TO APPEAR

A Copy of this Notice of Intent to Appear must be mailed to the Applicant and to Docket Services, P.O. Drawer 12967, Austin, TX 78711-2967. It must be *received* by Docket Services at least five business days in advance of the prehearing conference date and hearing date.

APPLICANT: OASIS PETROLEUM PERMIAN LLC (617484)
CASE/DOCKET NO.: 08-0325025
STATUS NO.:

_____, representing _____,
(Print Name) (Print Name)
hereby enters this Notice of Intent to Appear at Prehearing Conference as **(Check one of the referenced party status):** _____ *Applicant* _____ *Protestant* _____ *Observer* or _____ *In Support of Application*
and states he/she or his/her representative will appear and participate at the prehearing conference.

I further certify that, as of today's date, I have mailed or delivered a copy of this Notice of Intent to Appear form to the Applicant at the address shown in the Certificate of Service.

Signature Date
Telephone: Area Code: (____) _____

Email Address: _____
(OPTIONAL - If provided, e-mail address will become part of this public record; See TEX. GOV'T CODE § 552.137)

TIME ESTIMATE (total required for your presentation): _____

ADDRESS TO WHICH NOTICE WAS SENT:

_____ Is correct _____ Is incorrect and should be corrected to:

Street City State Zip Code

ADDITIONAL NOTICE SHOULD BE SENT TO THE REPRESENTATIVE SHOWN BELOW:

(Print Name)

Street City State Zip Code



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

CONSENT TO ELECTRONIC SERVICE AND NOTIFICATION OF DOCUMENTS, RULINGS, DECISIONS, AND ORDERS

Effective September 1, 2015, Section 2001.142 (Notification of Decisions and Orders) of the Texas Government Code was amended to allow a state agency to notify each party to a contested case of any decision or order of the agency, if agreed to by the party to be notified, by electronic means sent to the current e-mail address of the party's attorney of record or of the party if the party is not represented by counsel. Tex. Gov't Code § 2001.142(a)(2).

Current rules of the Railroad Commission of Texas ("Commission") require the Commission to serve "a pleading or document" by "hand-delivering a copy to the person to be served, or by first class, certified, or registered mail, commercial delivery service, fax, email, or by such other manner as the Commission may require." Commission Practice and Procedure rules, §1.45(e)(2) and §1.45(b). According to §1.45(b)(1)(D), "Service by email may be used if the person to be served consents to be served by email pursuant to §1.27 or §1.32 of this title (relating to Parties and Authorized representatives, and Form and Content of Pleadings, respectively). If the person consents to be served by email, the person affirmatively consents to the release and disclosure of the email address. Email service is complete on the date of the email transmission. An email received after 5 p.m. local time of the recipient shall be deemed served on the following business day."

Completion of this form is optional

In lieu of service and notification by mail, _____ (party name or attorney) on behalf of _____ hereby agrees and consents to electronic service and notification of all documents, rulings, decisions, and orders from the Railroad Commission of Texas in Docket No. _____ by the following electronic means:

[] E-mail at: _____

Authorized by:

_____ (signature)

_____ (print name)

_____ (firm)

By requesting electronic service, all orders, proposals for decision, and other documents and communications to me in this docket will be provided to me by e-mail at the address set forth above. I will no longer receive paper copies of any documents in this docket. I also understand and agree that it is my responsibility to inform Docket Services and other parties of any changes to my e-mail address. By accepting the terms of this service my e-mail address will be shown on the service list of this docket and available to the Commission, other parties and will become part of this public record; See Tex Gov't Code §552.137. I am responsible for ensuring that my e-mail filters and settings allow the delivery of e-mails from the RRC and all other parties to this case. **If the pleading contains 10 or fewer pages including exhibits, it may be filed by fax, email, or other approved electronic transmission with the Docket Services Section.** If a party or authorized representative elect to file a pleading by email, the party or authorized representative agrees to be served by email and affirmatively consents to the release and disclosure of the email address.

RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION

Oil and Gas Docket No. OG-19-00001767

Tracking No. 50382

March 26, 2020

§ APPLICATION OF LAYNE SWD, LLC (491460)
§ PURSUANT TO STATEWIDE RULE 9 FOR A
§ COMMERCIAL PERMIT TO INJECT FLUID INTO
§ A PORUS FORMATION NOT PRODUCTIVE OF
§ OIL OR GAS FOR THE BARRACUDA SWD
§ LEASE, WELL NO. 1, WOLFBONE (TREND
§ AREA) FIELD, REEVES COUNTY, TEXAS;
§ DISTRICT 08

NOTICE OF PREHEARING CONFERENCE

Date, Location, and Place of Hearing and Prehearing Conference- Notice is hereby given that a public prehearing conference will be held at **1:30 p.m. on Wednesday, April 15, 2020**, at the offices of the Railroad Commission of Texas (Commission) located in the William B. Travis State Office Building, at 1701 N. Congress Avenue, Austin, Texas, in a room number to be posted on the bulletin board in the first-floor lobby. If the prehearing conference is not concluded on the day it commences, it will be continued from day to day until concluded. **Notice is hereby given that a public hearing on the merits, if necessary, will be held at a time and date to be confirmed at the prehearing conference.**

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Purpose of Prehearing Conference- The purpose of the prehearing conference is to allow the parties to present evidence and to consider all issues of fact and law referenced in attached Appendix A.

Purpose of Hearing on the Merits- The purpose of the hearing on the merits is to allow the parties to present evidence and to consider all issues of fact and law referenced in attached Appendix B.

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Appearance at Prehearing Conference and Hearing- All persons or parties supporting, opposing or protesting this Application and intending to participate in the hearing or prehearing conference **must** complete and file with Docket Services the enclosed Notice of Intent to Appear form at least **five business days** prior to the hearing date and at least **five business days** prior to the prehearing conference date. **This form is required even if a prior written response was submitted to the previously issued "Notice of Application."** A copy of the Notice of Intent to Appear form should be served on the Applicant and any other parties of record. 16 TEX. ADMIN. CODE § 1.45(a)(1).

Legal Authority and Jurisdiction- The Commission has jurisdiction over Applicant and over the matters at issue in this proceeding pursuant to Tex. Nat. Res. Code title 3, subtitles A, B and C, Tex. Water Code chapters 26, 27 and 29, and Tex. Gov't Code chapter 2001.

Particular Statutes and Rules Involved- The statutes and rules applicable to this proceeding include but are not limited to the following:

- Tex. Nat. Res. Code, title 3, subtitles A, B and C;
- Tex. Water Code, chapters 26, 27 and 29;
- Commission rules in 16 Tex. Admin. Code chapters 1 and 3; and
- Statutes and rules referenced in Appendix A and B, if any.

Continuance of Prehearing Conference- Any request for continuance of the hearing or prehearing conference must be filed in Docket Services **no later than five business days prior to the hearing or prehearing conference date.** 16 Tex. Admin. Code § 1.105(a)(2). Copies of such request must be served to all parties shown on the service list.

Ex Parte Communications Prohibited- Ex parte communications (e.g. phone calls and emails) with the examiners and Commissioners are prohibited. Tex. Gov't Code § 2001.061, 16 Tex. Admin. Code § 1.7.

Written Transcript of the Hearing- If a case is protested or becomes protested, the party requesting commission action in this case will need to obtain a court reporter no later than 21 days before the hearing. Typically, this would include the applicant, complainant, and similarly situated parties in other types of cases. See 16 Tex. Admin. Code § 1.111. If an examiner or party requests a written transcript, the Commission may assess the cost to one or more parties. This includes paying the court reporter's fees for the preparation of the original transcript for the Commission's official records and one copy for use by the examiners in preparing their written recommendation. To obtain a court reporter, contact Dave Howard & Associates Court Reporters at 512-282-0313 or dave@howardreporters.com.

Exhibits- All exhibits must be clearly marked and submitted in duplicate to the examiners. If a party wants to offer an exhibit admitted in a prior proceeding, the party must provide a properly identified copy as an exhibit for the record in this proceeding. Additionally, if a court reporter is used, a copy of all exhibits must be given to the court reporter at the time of the prehearing conference or hearing.

Auxiliary Aids or Services for Persons with a Disability- Any individual with a disability who needs auxiliary aids and services to have an equal opportunity to effectively communicate and participate in the hearing must request such aids or services at least two weeks prior to the hearing by notifying the Commission's Docket Services by mail at P. O. Box 12967, Austin, Texas 78711-2967 or by telephone at (512) 463-6848 or TDD No. (800) 735-2989.

Audio/Visual Computer Presentations- Requests for setting up a presentation need to be made in writing **no less than three business days prior to the hearing or prehearing conference date.** Please contact Docket Services to complete a Presentation Setup Help Desk Questionnaire Form.

Service List- The Applicant shall review this Notice of Prehearing Conference and the attached Certificate of Service for accuracy and completeness and shall immediately notify Docket Services of any discrepancy or omission.

APPENDIX A

Purpose of Prehearing Conference -The purpose of the prehearing conference is to address matters preliminary to the hearing on the merits, including hearing any outstanding motions, establishing a hearing date and procedural schedule, and addressing other preliminary matters as determined by the examiners. Non-exclusive examples of motions that might be considered include motions to dismiss, motions regarding jurisdiction, motions regarding a party's standing and/or motions related to discovery. **All motions to be considered must be filed and served on all parties at least ten days before the prehearing conference.**

APPENDIX B

Purpose of Hearing on the Merits - The purpose of this hearing is to consider the application of Layne SWD, LLC (491460) for a commercial permit to dispose of oil and gas waste by injection for the Barracuda SWD Lease, Well No. 1, Wolfbone (Trend Area) (98359800) Field, in Reeves County, Texas, pursuant to 16 TEX. ADMIN. CODE § 3.9. If granted, the permit will allow injection into a porous formation not productive of oil or gas. The proposed location is 22.4 miles south-southwest from Pecos, Texas. The application seeks authority to inject a maximum volume of 20,000 barrels per day of saltwater, frac water, and non-hazardous oil and gas waste into the subsurface depth of 5,134 to 7,900 feet within the Delaware formation.

One or more seismic events have been recorded within the Area of Investigation (AOI), a circular area 100 square miles around this well.

If you have questions regarding this Application, please contact the Applicant's representative, Rob Hargrove at (512) 476-3529. If you have any questions regarding the hearing procedure, please contact Docket Services at (512) 463-6848 or at Room 12-123. Additional information about the prehearing conference process can be found at www.rrc.texas.gov/hearings.

To access the Commission's Statewide Rules, start from the Commission's Home Page, click on "General Counsel" (upper right side of page) and follow the path: Rules, Current Rules, T.A.C. Chapter 3, Rule Number.

Check the Weekly Hearing Schedule on the Commission website at: <http://www.rrc.texas.gov/hearings/hearing-schedules/> the day prior to the prehearing conference to confirm that it will go forward as scheduled.

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Notice of Prehearing Conference in Oil and Gas Docket No. **OG-19-00001767** was served on each of the persons named below by depositing same in the United States Mail, Inter-Agency Mail, or Inter-Agency E-Mail, as follows:

LAYNE SWD, LLC
SUITE 800
1800 HUGHES LANDING BLVD
THE WOODLANDS, TX 77380

HENRY RESOURCES LLC
3525 ANDREWS HIGHWAY
MIDLAND, TX 79703

DARREL & NETA RHYNE
PO BOX 11
TOYAHVALE, TX 79786

MCELROY SULLIVAN MILLER & WEBER LLP
ATTN: BILL HAYENGA
PO BOX 12127
AUSTIN, TX 78711

2T PARTNERSHIP
PO BOX 1149
PECOS, TX 79772

BILL RAY
502 SW 22ND ST
SEMINOLE, TX 79360

BUSH-GRIFFIN LIVING TRUST
C/O JOHN W BUSH & JOHN GRIFFIN TRUSTEES
7534 FM 2354
BAYTOWN, TX 77523

DONNA PEPPER
141 MEREDITH DR
SAN ANTONIO, TX 78228

FLATLAND SIDECAR LLC
4925 AVE STE 1000
DALLAS, TX 75206

GWENDOLYN GELTMEYER
203 ROSEHART
SAN ANTONIO, TX 78259

JULIE A CANON
701 S OLEANDER
PECOS, TX 79772

LAN LOCKER
1407 GREEN ST
GRAHAM, TX 76450

LYNN HUGHES
14311 GOLDEN CYPRESS LN
CYPRESS, TX 77429

MICKEY RAY
4801 N MIDLAND DR STE F
MIDLAND, TX 79707

NBL PERMIAN LLC
1001 NOBLE ENERGY WAY
HOUSTON, TX 77070

ROBERT HAILEY
155 CEDAR ST
ABILENE, TX 79601

SYLVIA BUSH
6839 SPRING LARK
SAN ANTONIO, TX 78249

VERHALEN SWITCH LLC
920 AVENUE Q
LUBBOCK, TX 79401

BARRY LEE HAILEY
4900 WELETKA DR
AUSTIN, TX 78734

BRADLEY ROBERT D
PO BOX 944
MCCAMEY, TX 79752

CACO FARMS INC
17 LAKES DR
MIDLAND, TX 79707

FLATLAND MINERAL FUND LP
PO BOX 601743
DALLAS, TX 75360

FRAZEE DAVENPORT ARLEDGE ESTATE
C/O VANESSA ARLEDGE DEATON
5532 CENTERIDGE LN
MCKINNEY, TX 75071

JOE BOB & MELODY WELLS
3200 MENARD HWY
BRADY, TX 76825

KENNETH LOCKER
2929 WYCLIFF AVE APT 2310
DALLAS, TX 75219

LISA LOCKER EHLERT
PO BOX 513
WELLBORN, TX 77882

MELANIE LEE
PO BOX 1161
PECOS, TX 79772

MONICA NICOLE MEDRANO
2107 S PINE
BRADY, TX 76825

RAY & PHYLLIS HERBERT
PO BOX 212
SAGAROSA, TX 79780

SHARON ST CLAIR MGMT. TRUST
PO BOX 701
ABILENE, TX 79604

TOYAH FARMS LP
106 CARMEN COURT
LA GRANGE, TX 78945

WILLIAMS CLAYTON W JR
1900 DALROCK RD
ROWLETT, TX 75088

DIANE O. FLOREZ
REEVES COUNTY CLERK
P.O. BOX 867
PECOS, TX 79772

ROBERT HARGROVE
FOR LAYNE SWD LLC
OSBORNE, MARSLAND & HARGROVE
515 CONGRESS AVENUE, SUITE 2450
AUSTIN, TX 78701

LORENZO GARZA, ASSISTANT DEPUTY DIRECTOR
ADMINISTRATIVE COMPLIANCE
RRC - AUSTIN
Via Intra-Agency Email

JOE STASULLI, ASSISTANT DEPUTY DIRECTOR
ADMINISTRATIVE COMPLIANCE
RRC - AUSTIN
Via Intra-Agency Email

OWEN MCNAMARA, ENGINEER
FIELD OPERATIONS
RRC - AUSTIN
Via Intra-Agency Email

PAUL DUBOIS, ASSISTANT DIRECTOR
O&G DIVISION TECHNICAL PERMITTING
RRC - AUSTIN
Via Intra-Agency Email

On this the 26th day of March 2020.

Joseph Menefe

Paralegal, Hearings Division
Railroad Commission of Texas

HEARINGS DIVISION
PO Drawer 12967
Austin, TX 78711-2967

NOTICE OF INTENT TO APPEAR

A Copy of this Notice of Intent to Appear must be mailed to the Applicant and to Docket Services, P.O. Drawer 12967, Austin, TX 78711-2967. It must be *received* by Docket Services at least five business days in advance of the prehearing conference date and hearing date.

APPLICANT: LAYNE SWD LLC (491460)
CASE/DOCKET NO.: OG-19-00001767
STATUS NO.: 50382

_____, representing _____,
(Print Name) (Print Name)
hereby enters this Notice of Intent to Appear at Prehearing Conference as **(Check one of the referenced party status):** _____ *Applicant* _____ *Protestant* _____ *Observer* or _____ *In Support of Application*
and states he/she or his/her representative will appear and participate at the prehearing conference.

I further certify that, as of today's date, I have mailed or delivered a copy of this Notice of Intent to Appear form to the Applicant at the address shown in the Certificate of Service.

Signature Date
Telephone: Area Code: (____) _____

Email Address: _____
(OPTIONAL - If provided, e-mail address will become part of this public record; See TEX. GOV'T CODE § 552.137)

TIME ESTIMATE (total required for your presentation): _____

ADDRESS TO WHICH NOTICE WAS SENT:

_____ Is correct _____ Is incorrect and should be corrected to:

Street City State Zip Code

ADDITIONAL NOTICE SHOULD BE SENT TO THE REPRESENTATIVE SHOWN BELOW:

(Print Name)

Street City State Zip Code



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

CONSENT TO ELECTRONIC SERVICE AND NOTIFICATION OF DOCUMENTS, RULINGS, DECISIONS, AND ORDERS

Effective September 1, 2015, Section 2001.142 (Notification of Decisions and Orders) of the Texas Government Code was amended to allow a state agency to notify each party to a contested case of any decision or order of the agency, if agreed to by the party to be notified, by electronic means sent to the current e-mail address of the party's attorney of record or of the party if the party is not represented by counsel. Tex. Gov't Code § 2001.142(a)(2).

Current rules of the Railroad Commission of Texas ("Commission") require the Commission to serve "a pleading or document" by "hand-delivering a copy to the person to be served, or by first class, certified, or registered mail, commercial delivery service, fax, email, or by such other manner as the Commission may require." Commission Practice and Procedure rules, §1.45(e)(2) and §1.45(b). According to §1.45(b)(1)(D), "Service by email may be used if the person to be served consents to be served by email pursuant to §1.27 or §1.32 of this title (relating to Parties and Authorized representatives, and Form and Content of Pleadings, respectively). If the person consents to be served by email, the person affirmatively consents to the release and disclosure of the email address. Email service is complete on the date of the email transmission. An email received after 5 p.m. local time of the recipient shall be deemed served on the following business day."

Completion of this form is optional

In lieu of service and notification by mail, _____ (party name or attorney) on behalf of _____ hereby agrees and consents to electronic service and notification of all documents, rulings, decisions, and orders from the Railroad Commission of Texas in Docket No. _____ by the following electronic means:

[] E-mail at: _____

Authorized by:

_____ (signature)

_____ (print name)

_____ (firm)

By requesting electronic service, all orders, proposals for decision, and other documents and communications to me in this docket will be provided to me by e-mail at the address set forth above. I will no longer receive paper copies of any documents in this docket. I also understand and agree that it is my responsibility to inform Docket Services and other parties of any changes to my e-mail address. By accepting the terms of this service my e-mail address will be shown on the service list of this docket and available to the Commission, other parties and will become part of this public record; See Tex Gov't Code §552.137. I am responsible for ensuring that my e-mail filters and settings allow the delivery of e-mails from the RRC and all other parties to this case. **If the pleading contains 10 or fewer pages including exhibits, it may be filed by fax, email, or other approved electronic transmission with the Docket Services Section.** If a party or authorized representative elect to file a pleading by email, the party or authorized representative agrees to be served by email and affirmatively consents to the release and disclosure of the email address.