

RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL AND GAS DOCKET NO. 09-0294012

ENFORCEMENT ACTION AGAINST VERNON SMITH, JR., SOLE PROPRIETORSHIP, V S OIL COMPANY (OPERATOR NO. 881120) FOR VIOLATIONS OF STATEWIDE RULES ON THE WAGGONER -E- (04988) LEASE, WELL NOS. 1, 2, 4, 5, 6, 7, 8, 11, 12, 13, 16, 17, 18, 19, AND 20, WICHITA COUNTY REGULAR FIELD, WICHITA COUNTY; AND W.T. WAGGONER "TB" (13395) LEASE, WELL NOS. 568 AND 570, WICHITA COUNTY REGULAR FIELD, WICHITA COUNTY, TEXAS.

FINAL ORDER

The Commission finds that after statutory notice the captioned enforcement proceedings were heard by an Administrative Law Judge on May 14, 2015. The Administrative Law Judge 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, within 30 days from the day immediately following the date this order becomes final, V S Oil Company (Operator. No. 881120) shall:

- 1.) Remit to the Railroad Commission of Texas, for disposition as provided by law, an administrative penalty of **FORTY THOUSAND DOLLARS (\$40,000)**, and
- 2.) Place into compliance with all Commission Statewide Rules the Waggoner -E- (04988) Lease, Well Nos. 1, 2, 4, 5, 6, 7, 8, 11, 12, 13, 16, 17, 18, 19 and 20, Wichita County Regular Field, and the W.T. Waggoner "TB" (13395) Lease, Well Nos. 568 and 570, Wichita County Regular Field, Wichita County, Texas.

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 90 days from the date the Commission Order is signed.

Each exception to the Administrative Law Judge'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 14th day of February, 2017, in Austin, Texas.

RAILROAD COMMISSION OF TEXAS



CHAIRMAN CHRISTI CRADDICK

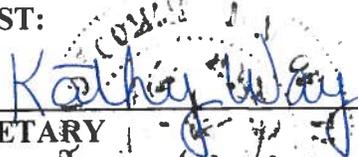


COMMISSIONER RYAN SITTON



COMMISSIONER WAYNE CHRISTIAN

ATTEST:



SECRETARY

