127 FERC ¶ 61,288
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Jon Wellinghoff, Chairman;
Suedeen G. Kelly, Marc Spitzer,
and Philip D. Moeller.

Western Refining Southwest, Inc. and Western Refining Pipeline Company — Docket No. OR09-3-000

v.

TEPPCO Crude Pipeline, LLC

ORDER DISMISSING COMPLAINT

(Issued June 22, 2009)

1. On February 9, 2009, Western Refining Southwest, Inc. (Western Refining) and Western Refining Pipeline Company (Western Pipeline) (collectively Western Parties) filed a complaint against TEPPCO Crude Pipeline, LLC (TEPPCO Pipeline) alleging that TEPPCO Pipeline violated its statutory, regulatory, and contractual obligations to the Western Parties by reversing the flow of its pipeline, illegally retaining crude oil belonging to the Western Parties, and continuing to demand lease payments. On March 4, 2009, the Western Parties filed an amendment to their complaint alleging that TEPPCO Pipeline was illegally retaining additional crude oil owned by the Western Parties that was not mentioned in the initial complaint. The Western Parties request that the Commission order TEPPCO Pipeline to pay damages resulting from the lease payments allegedly retained illegally by TEPPCO Pipeline and the lost value of the crude oil allegedly seized illegally by TEPPCO Pipeline. For the reasons discussed below, the Commission dismisses the complaint filed by Western Parties for lack of jurisdiction.

Background

2. In order to understand the issues raised by the complaint it is important to distinguish the various parties, contracts and oil pipeline facilities involved in the dispute. On May 31, 2007, Western Refining, Inc., the parent company of the Western Parties, acquired Giant Industries, Inc. The acquisition included oil refineries in New Mexico and pipeline systems. As a result of the acquisition Giant Industries Arizona, Inc. d/b/a Giant Refining Company became Western Refining, and Giant Pipeline Company became Western Pipeline. Prior to its acquisition by Western Refining, Inc., Giant

Industries entered into several contracts with TEPPCO Pipeline and its affiliate, TEPPCO Crude Oil, LLC (TEPPCO Crude).

3. On August 25, 2006, a lease agreement was executed between TEPPCO Pipeline and Giant Pipeline Company (now Western Pipeline). Under the agreement, Giant Pipeline Company would lease capacity on TEPPCO Pipeline's parallel lines running between Hobbs, New Mexico and Midland, Texas. TEPPCO Pipeline agreed to construct a ten inch pipeline between Hobbs, New Mexico and Lynch, New Mexico at a point of intersection on Giant Pipeline Company's (now Western Pipeline) pipeline running between Jal, New Mexico and Bisti, New Mexico. Giant Pipeline would also lease capacity on the new pipeline constructed by TEPPCO Pipeline. Pursuant to the contract, TEPPCO Pipeline's pipeline would flow north from Midland, Texas to Hobbs, New Mexico. In addition, under the lease agreement, TEPPCO Pipeline could continue to provide crude oil transportation service from Hobbs, New Mexico to Midland, Texas on an alternate route. To effectuate this alternative routing, TEPPCO Pipeline and Giant Pipeline Company entered into a second lease agreement under which TEPPCO Pipeline leased capacity from Giant Pipeline Company over the Lynch, New Mexico to Jal, New Mexico segment of Giant Pipeline Company's pipeline.

4. As part of the overall arrangement between the companies, TEPPCO Crude, an affiliate of TEPPCO Pipeline, and Giant Industries Arizona, the expected shipper over the leased capacity, entered into a contract pursuant to which Giant Industries Arizona would purchase crude in Midland, Texas from TEPPCO Crude. Under this agreement Giant Industries Arizona was to buy a minimum of 10,000 barrels of crude per day for the first two years, with declining requirements over time. The August 25, 2006 lease agreement became effective for a ten-year term in June 2007 upon TEPPCO Pipeline's completion of its new line between Hobbs, New Mexico and Lynch, New Mexico. The second lease agreement between TEPPCO Pipeline and Giant Pipeline Company and the crude oil purchase agreement between Giant Industries Arizona and TEPPCO Crude also had ten-year terms coterminous with the August 25, 2006 lease agreement.

5. There are also several tariff filings that are relevant to an understanding of the dispute. On September 25, 2007, the Commission granted Giant Pipeline a waiver of tariff filing and reporting requirements under the Interstate Commerce Act for the transportation it provided from Midland, Texas to Bisti, New Mexico.[1] The waiver would allow Giant Pipeline to provide seamless transportation of its own crude oil over the leased capacity on TEPPCO Pipeline and over its own pipeline to refineries in New Mexico. The Commission granted the waiver because Giant Pipeline would only

[1] *Giant Pipeline Company and Giant Industries Arizona, Inc.*, 120 FERC ¶ 61,275 (2007).

transport its own oil or the oil of an affiliate and no third party requested or was likely to request transportation over the pipeline.

6. On March 7, 2008, the Commission issued an order accepting tariffs filed by Western Pipeline.[2] The tariffs established initial rates, and rules and regulations governing the interstate movement of crude petroleum from points in New Mexico and Texas to certain points in New Mexico. Western Pipeline described its system as consisting of its own TexNew Mex Pipeline which moved crude oil from Lynch, New Mexico to Star Lake and Bisti, New Mexico, and capacity leased from TEPPCO Pipeline to move crude from Midland, Texas to Lynch, New Mexico.[3]

7. During the relevant time period, TEPPCO Pipeline had tariffs on file with the Commission offering service from Hobbs, New Mexico to Midland, Texas (FERC Tariff No. 21) as well as service from Midland, Texas to Hobbs, New Mexico (FERC Tariff No. 20).

8. Pursuant to the lease agreement, Giant Pipeline, Western Pipeline's predecessor, began to fill the lines with crude oil in June 2007 and completed the process in August 2007. For the capacity leased from TEPPCO Pipeline, the required minimum inventory was 48,875 barrels comprising 26,000 barrels for the Midland, Texas to Hobbs, New Mexico segment, 9,275 barrels to fill the tank bottom in Hobbs, New Mexico, and 13,600 barrels for the Hobbs, New Mexico to Lynch, New Mexico segment. In addition, Giant Pipeline filled its own line from Lynch, New Mexico to Bisti, New Mexico with 495,000 barrels.

9. In June 2008, certain actions occurred which appear to have precipitated the instant dispute. Western Pipeline purged the line fill in its pipeline from Lynch, New Mexico to Bisti, New Mexico and replaced the crude with nitrogen. By taking this action, Western Pipeline could not have used the leased capacity from TEPPCO Pipeline without first refilling the line between Lynch, New Mexico and Bisti, New Mexico. Moreover, because Western Pipeline failed to notify TEPPCO Pipeline of any transportation activity for June 2008, TEPPCO Pipeline decided to use the capacity in the Midland, Texas to Hobbs, New Mexico line and reversed the flow of the line so it could transport crude from Hobbs, New Mexico directly to Midland, Texas rather than using the alternate route described in the lease agreement. To facilitate this change, TEPPCO Pipeline pumped the line fill belonging to the Western Parties to a storage tank in Midland, Texas. In September 2008, Western Pipeline sought to pull 46,200 barrels from its inventory on the TEPPCO Pipeline system. TEPPCO Pipeline advised Western

[2] *Western Refining Pipeline Company,* 122 FERC ¶ 61,210 (2008).

[3] March 3, 2008 Response of Western Pipeline in Docket No. IS08-131-000.

Pipeline that it could pull 20,200 barrels from the system but that the remainder was the required minimum inventory under the lease agreement. In October 2008, TEPPCO Pipeline delivered the 20,200 barrels to Western Refining in Midland, Texas.

10. Through 2008, TEPPCO Pipeline continued to invoice Western Pipeline for the monthly rental fees under the lease agreement, and Western Pipeline continued to pay those bills.

11. On February 9, 2009, the Western Parties filed the instant complaint. On the same day, the Western Parties advised TEPPCO Pipeline that it was terminating the August 25, 2006 lease agreement, the second lease agreement under which TEPPCO Pipeline leased capacity on Western Pipeline's system between Lynch, New Mexico and Jal, New Mexico, and the crude purchase agreement between TEPPCO Crude and Western Refining.

Western's Complaint, Amendment to Complaint and Related Pleadings

12. The Western Parties assert that TEPPCO Pipeline acted in an unjust, unreasonable and illegal manner by seizing crude oil Western Refining purchased to fill the pipeline that owned and operated by TEPPCO Pipeline between Midland, Texas and Hobbs, New Mexico. The Western Parties assert that Western Refining has shipped crude oil on that pipeline. Western Parties assert that TEPPCO Pipeline removed Western Refining's line fill from its pipeline in June 2008 and diverted that line fill to a tank in Midland, Texas controlled by TEPPCO Pipeline without ever informing Western Refining.

13. The Western Parties further assert that when Western Refining learned in September 2008 that TEPPCO Pipeline had seized line fill three months earlier, it demanded that TEPPCO Pipeline return it. The Western Parties assert that TEPPCO Pipeline refused and still has illegal possession of Western Refining's line fill. The Western Parties argue that TEPPCO Pipeline's retention of their oil and lease payments are being used as leverage to force a renegotiation of the crude purchase agreement between Western Refining and TEPPCO Crude.

14. The Western Parties assert that in June 2008 TEPPCO Pipeline reversed its pipeline to run in a southeasterly direction from Hobbs, New Mexico to Midland, Texas rather than northwesterly from Midland, Texas to Hobbs, New Mexico. The Western Parties assert that TEPPCO Pipeline never provided any notice to Western Pipeline that it was reversing the line, despite the fact that TEPPCO Pipeline had signed a capacity lease agreement with Western Pipeline in which TEPPCO Pipeline agreed to maintain the northwesterly direction of the pipeline.

15. The Western Parties assert that, according to TEPPCO Pipeline, it reversed the pipeline to continue its daily business. Western Parties contend that while TEPPCO Pipeline continued its daily business, it could not fulfill its obligations to Western

Pipeline. Nonetheless, Western Parties assert that TEPPCO Pipeline continued to bill Western Pipeline for lease payments under the capacity lease agreement, despite its breach of that agreement.

16. Western Parties argue that by reversing the flow of the pipeline to flow southeasterly from Hobbs, New Mexico to Midland, Texas, TEPPCO Pipeline also violated the rules and regulations of the Commission designed to protect shippers such as Western Refining. The Western Parties assert that to assure that Western Refining was able to make shipments from Midland, Texas to Hobbs, New Mexico; TEPPCO Pipeline had filed tariffs that provided for the shipment of crude oil in a northwesterly direction. Western Parties argue that TEPPCO Pipeline never filed any tariff amendments with the Commission advising shippers that it was reversing direction of its pipeline.

17. Western Parties assert that TEPPCO Pipeline's illegal course of conduct has injured them to a considerable extent. Western Parties assert that Western Refining has been deprived since June 2008 of 26,000 barrels of crude oil which TEPPCO Pipeline illegally diverted to its own use. Western Parties contend that the value of that crude oil in June 2008 was $133.93 per barrel, resulting in total damages to Western Refining in the amount of $3,482,180. Western Parties request that the Commission award damages against TEPPCO Pipeline in that amount, plus interest.

18. Western Parties also request that the Commission award damages equal to the lease payments to TEPPCO Pipeline from June 2008 through December 2008. Western Parties assert that those lease payments were made to secure access to TEPPCO Pipeline's system from Midland, Texas to Hobbs, New Mexico. Western Parties argue that when TEPPCO Pipeline reversed the pipeline flow, without even telling them that it was doing so and removed Western's Refining's line fill from the pipeline, TEPPCO deprived them of the opportunity to use the line during the period of the line reversal. In addition, Western Parties contend that TEPPCO Pipeline's reversal of the pipeline violated its contractual obligations to Western Pipeline. Moreover, Western Parties assert that TEPPCO Pipeline never filed a tariff amendment with the Commission providing notice of its intent to reverse the line. Western Parties contend that the lease payments made to TEPPCO Pipeline from June 2008, when the line was reversed, through December 2008 amounts to approximately $216,000 per month, or $1,492,971.28. Western Parties request that the Commission award damages in this amount, plus interest.

19. In the amendment to their complaint, the Western Parties assert that, in addition to the 26,000 barrels discussed above, TEPPCO Pipeline also still retains possession of other crude oil belonging to Western Refining. That crude oil consists of 9,275 barrels in TEPPCO Pipeline's tank in Hobbs, New Mexico and 13,600 barrels in the Hobbs, New Mexico to Lynch, New Mexico portion of the TEPPCO Pipeline system. Western Parties assert that TEPPCO Pipeline refused to honor Western Refining's nomination to ship the referenced crude oil to both Midland, Texas and Lynch, New Mexico. The Western Parties assert that such action violated the requirement under section 1(4) of the

Interstate Commerce Act that common carriers furnish transportation on reasonable request and was also a violation of TEPPCO Pipeline's tariff. Western Parties request that the Commission award damages equal to the value of the crude oil as of February 25, 2009, plus interest.

20. Western Parties claim that Western Refining had a shipper to common carrier relationship with TEPPCO Pipeline because Western Refining submitted nominations to TEPPCO Pipeline and TEPPCO Pipeline sent invoices to Western Refining. Western Parties argue that only Western Pipeline had a contractual relationship through the capacity lease agreement with TEPPCO Pipeline. The Western Parties also assert that their complaint involves the Commission's expertise and responsibilities under the Interstate Commerce Act and that the Commission has jurisdiction even though both contractual and regulatory issues are involved.

<u>TEPPCO Pipeline's Answer and Other Responsive Pleadings</u>

21. TEPPCO Pipeline asserts that the Commission must dismiss Western Parties' complaint for lack of jurisdiction because the dispute arises from a private contract concerning a business arrangement between the parties regarding a pipeline facility they jointly use. TEPPCO Pipeline argues that the return of the line fill, tanking inventory and the lease payments are all covered by the capacity lease agreement and must be addressed in state court. TEPPCO Pipeline contends that the capacity lease agreement requires Western Pipeline to operate the lease capacity as if it is Western Pipeline's own pipeline. TEPPCO Pipeline submits that the capacity lease agreement required Western Pipeline to provide oil for line fill and other purposes to ensure the efficient operation of TEPPCO Pipeline's facilities. TEPPCO Pipeline also asserts that the capacity lease agreement requires Western Pipeline to make monthly payments under the ten-year lease agreement whether Western Pipeline uses the facilities or not.

22. TEPPCO Pipeline asserts that it approached the Western Parties about renegotiating or buying out of the various agreements because the Western Parties were falling behind on their obligations. TEPPCO Pipeline asserts that when Western Pipeline purged its line in June 2008, it was clear that Western Pipeline could not have used the leased TEPPCO Pipeline facilities. TEPPCO Pipeline states that because it had tariffs on file providing for bi-directional flows on its pipeline and in order to use its facilities in a more efficient manner, it reversed the flow of the pipeline so that oil could flow southeasterly from Hobbs, New Mexico to Midland, Texas along the more direct route. TEPPCO Pipeline maintains that Western Pipeline was not deprived of the benefit of the bargain under the lease agreement because the lease agreement required five days' notice of the use of the capacity and it could refill the line fill from the storage tanks into the pipeline within two days.

23. TEPPCO Pipeline argues that Western Parties have erroneously characterized the relationships between the various parties. TEPPCO Pipeline asserts that the only

jurisdictional common carrier/shipper relationship was between Western Pipeline and Western Refining. TEPPCO Pipeline asserts that there would be no reason for the lease if Western Refining or Western Pipeline obtained common carrier service on TEPPCO Pipeline's facilities. TEPPCO Pipeline asserts that the fact that Western Refining may have submitted scheduling and nomination information to TEPPCO Pipeline and that invoices were addressed to Western Refining just reflects the accommodation of the close relationship between the Western affiliates. TEPPCO Pipeline asserts that the various charges under the invoices reflect the capacity lease agreement and not any common carrier relationship. TEPPCO Pipeline states that the invoices reflect the charges for the monthly space rental under the lease, crude pumpover charges under a Texas Railroad Commission tariff, and shows a charge of zero where TEPPCO Pipeline would have assessed a charge for common carrier transportation. TEPPCO Pipeline contends that the invoices or nominations do not change the fact that Western Pipeline was the leaseholder under the capacity lease agreement and made all payments pursuant to that agreement.

24. TEPPCO Pipeline asserts that the scheduling notices show Western Refining scheduled shipments from Midland, Texas to Lynch, New Mexico and Hobbs, New Mexico is not mentioned in the notices at all. TEPPCO Pipeline contends that this is important because the only relevant service offered by TEPPCO Pipeline under its FERC tariffs was between Midland, Texas and Hobbs, New Mexico. TEPPCO Pipeline submits that it does not have the tariffs on file for transportation to Lynch, New Mexico, and did not offer service to Lynch, New Mexico from any origin. TEPPCO Pipeline submits that the common carrier transportation service that Western Refining scheduled could only have been provided by Western Pipeline on the leased capacity from Midland, Texas to Lynch, New Mexico for a segment of the service Western Pipeline offered from Midland, Texas to Bisti, New Mexico under its own FERC Tariff No. 2.

Discussion

25. The facts presented in this case show that the Western Parties (and their predecessor in interest, Giant Industries) and TEPPCO Pipeline and its affiliate, entered into a complex business arrangement involving the construction of pipeline facilities, pipeline capacity leases, and crude oil purchase agreements. The issue before the Commission, however, is stated simply: Whether the dispute arising from their business arrangement, specifically the capacity lease agreement between Western Pipeline and TEPPCO Pipeline, is within the Commission's jurisdiction over oil pipeline transportation under the Interstate Commerce Act. The Commission has reviewed Western Parties' and TEPPCO Pipeline's pleadings, affidavits and exhibits, and finds the dispute arising from the capacity lease agreement between Western Pipeline and TEPPCO Pipeline does not involve the Commission's jurisdiction over oil pipeline transportation and is a private contract governing property rights that is solely within the jurisdiction of the appropriate state court to resolve. The fact that the lease agreement concerns pipeline facilities does not provide the Commission jurisdiction. Unlike the

Commission's jurisdiction over natural gas pipelines and electric utilities where the Commission has authority over pipeline certification and abandonment, and the disposition of certain facilities and assets, the Commission does not have any such authority with respect to oil pipelines. It is well settled that "[c]onstruction, entry and abandonment of service by oil pipelines are not subject to the Commission's jurisdiction."[4]

26. The August 25, 2006 Lease Agreement between TEPPCO Pipeline and Western Pipeline's predecessor Giant Pipeline establishes the relationship between the parties as a lessor/lessee relationship rather than a common carrier/shipper relationship. If Western Pipeline's predecessor Giant Pipeline had simply wanted to ship oil on TEPPCO Pipeline's system without the attendant benefits of the lease agreement, Giant Pipeline could have simply requested common carrier service from the desired origin and destination points pursuant to TEPPCO Pipeline's tariff that was on file at the time. Under the tariff, however, Western Pipeline would not be guaranteed the use of 15,000 barrels per day of capacity on TEPPCO Pipeline and would be subject to TEPPCO Pipeline's prorationing policy when shippers' daily nominations exceeded capacity. This was not Giant Pipeline's goal. As stated above, Giant Pipeline wanted to provide seamless transportation for its affiliate from Midland, Texas to refineries in New Mexico and this could only be accomplished through the leasing of capacity on TEPPCO Pipeline's existing pipeline and the pipeline TEPPCO Pipeline agreed to construct pursuant to the lease agreement. A reading of the lease agreement shows that Giant Pipeline secured certain contractual and property rights for Giant Pipeline rather than establish any sort of common carrier/shipper relationship between Giant Pipeline and TEPPCO Pipeline.

27. The lease agreement establishes an initial lease term of ten years. Section 2 of the lease agreement states that "Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, sufficient capacity in the Pipeline to transport 15,000 barrels per day of crude oil as a common carrier (the 'Base Capacity')." Section 3 of the lease agreement establishes the rental payments and states that "Lessee shall be required to pay for the Base Capacity each month, at the rate and on the terms and conditions set forth, whether or not in fact Lessee uses the Base Capacity in that month." Section 5.f. of the lease agreement states:

> Lessee shall use its Leased Capacity in the Pipeline solely as an individual common carrier facility. Lessee shall separately maintain tariffs in its own name in accordance with any applicable state and federal laws and regulations covering the Leased Capacity and shall collect for its own account all revenues payable by shippers under such tariffs. Lessor shall

[4] *See, e.g., SFPP, L.P.,* 86 FERC ¶ 61,022, at 61,077 (1999).

> not be an agent for Lessee in connection with acceptance of tenders from shippers for shipment of crude oil.

Section 5.g. states that "Lessee shall be required to supply a pro rata share of crude oil and inventory necessary for pipeline and tankage fill to assure the efficient operation of the Pipeline." The Western Parties' assertions that TEPPCO Pipeline breached the agreement by reversing the flow of the line, continuing to collect lease payments, and retaining certain oil belonging to the Western Parties all must be resolved with reference to the lease agreement rather than any FERC Tariff that TEPPCO Pipeline had on file with the Commission. The lease agreement created property and contractual rights allowing Western Pipeline to operate its own pipeline within the TEPPCO Pipeline facilities. Since the lease agreement does not implicate oil pipeline transportation under the provisions of the Interstate Commerce Act, there are no issues within the Commission's jurisdiction. Moreover, contrary to Western Parties' assertions, there are no combined contractual and regulatory issues that require the Commission's special expertise. The parties' rights and obligations under the lease agreement are subject to state court jurisdiction.

28. Contrary to Western Parties' assertions, the nomination and billing information provided as exhibits do not show that Western Refining had a common carrier/shipper relationship with TEPPCO Pipeline. Pursuant to section 5.e. of the lease agreement, Western Pipeline was required to advise TEPPCO Pipeline of the amount of Base Capacity that would be used not later than the 25th day of the preceding calendar month. The fact that Western Refining submitted the required notices to TEPPCO Pipeline and also received the bills does not establish a common carrier/shipper relationship. Rather, as TEPPCO Pipeline stated, these procedures simply acknowledged and accommodated the close relationship between affiliated entities and in no way changed Western Pipeline's obligations under the lease agreement. Western Pipeline was the leaseholder and paid the monthly rental fees and other charges pursuant to the lease. In addition, the bills show that the various charges being paid by Western Pipeline were incurred pursuant to the lease agreement. The line items show the monthly rental charge and pumpover charge pursuant to section 3.a. of the lease agreement. Most importantly, the invoices show that no transportation charges were assessed as would occur if either of the Western Parties received common carrier service pursuant to FERC Tariffs.

29. Western Parties also argue that TEPPCO Pipeline did not provide appropriate notice to shippers by filing FERC Tariffs reversing the flow of the pipeline and thus deprived Western Pipeline of the benefit of its bargain under the lease agreement. The Commission finds that the Western Parties' argument obscures the issues and attempts to create Commission jurisdiction where none exists. As TEPPCO Pipeline has stated, its pipeline is bi-directional and it always has had on file with the Commission tariffs that would permit it to make movements of crude oil from Midland, Texas to Hobbs,

New Mexico and from Hobbs, New Mexico to Midland, Texas. Thus, TEPPCO Pipeline did not violate the Interstate Commerce Act or Commission regulations when it reversed the flow of the pipeline. Further, TEPPCO Pipeline states that Western Pipeline was never deprived of service because Western Pipeline had to provide five days notice of transportation activity and the pipeline could be refilled with Western Pipeline's oil in two days. This issue, however, is a matter of the interpretation of the lease agreement and should be decided by the appropriate state court.

30. Western Parties' argument that TEPPCO Pipeline was retaining its lease payments and crude oil as leverage to renegotiate a separate crude oil purchase agreement also does not create Commission jurisdiction. Whether TEPPCO Pipeline breached one non-jurisdictional contract, the lease agreement, in an attempt to gain leverage concerning another non-jurisdictional contract, the crude purchase agreement, is an issue for the appropriate state court, not this Commission. Since the Western Parties have not established that the issues in dispute arise from a common carrier/shipper relationship or the Commission's jurisdiction over oil pipeline transportation in interstate commerce, the Commission dismisses the Western Parties' complaint.

31. Finally, on a procedural matter, Resolute Natural Resources Company and Resolute Aneth, LLC (Resolute) seek to intervene on the ground that they have an interest in the proceeding because they sell crude oil to Western Refining. Resolute also asserts that this proceeding should be consolidated with Western Pipeline's tariff filing in Docket No. IS09-146-000 canceling certain service. Since the Commission is dismissing the Western Parties' complaint as beyond the Commission's jurisdiction, the motion to intervene and request for consolidation are likewise denied.

The Commission orders:

(A) Western Parties' February 9, 2009 complaint, as amended on March 4, 2009, is dismissed.

(B) The motion to intervene and request for consolidation of Resolute Natural Resources Company and Resolute Aneth, LLC is denied.

By the Commission.

(S E A L)

Kimberly D. Bose,
Secretary.