

**SOAH DOCKET NO. 582-07-2673
TCEQ DOCKET NO. 2007-0204-WDW**

APPLICATION OF TEXCOM GULF DISPOSAL, LLC FOR TEXAS COMMISSION ON ENVIRONMENTAL QUALITY UNDERGROUND INJECTION CONTROL PERMIT NOS. WDW 410, WDW 411, WDW 412 AND WDW 413	§ § § § § § § §	BEFORE THE STATE OFFICE OF ADMINISTRATIVE HEARINGS
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**DENBURY ONSHORE, LLC'S MOTION TO
SUPPLEMENT THE ADMINISTRATIVE RECORD, OR IN THE
ALTERNATIVE, TO TAKE JUDICIAL NOTICE OF FINAL ORDER**

TO THE HONORABLE COMMISSIONERS:

Denbury Onshore, LLC, protestant in this case ("Denbury"), submits this Motion to Supplement the Administrative Record, or in the Alternative, to Take Judicial Notice of Final Order, and would respectfully show the following:

1. In this contested-case hearing, TexCom Gulf Disposal, LLC ("TexCom") is seeking four Class I Underground Injection Control ("UIC") permits to inject industrial waste into the Conroe Oil Field. A contested-case hearing was held in this matter at the State Office of Administrative Hearings ("SOAH") in June of 2010.

2. On November 8, 2010, the SOAH Administrative Law Judges ("ALJs") issued their proposal for decision ("PFD"), recommending that the Texas Commission on Environmental Quality ("TCEQ" or "Commission") deny TexCom's applications for the above-referenced wells.

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3. Each of the parties to the contested-case hearing filed Exceptions to the PFD on November 29, 2010, and Replies to Exceptions on December 8, 2010. The ALJs filed their Exceptions Letter on January 7, 2011, revising their PFD and again recommending that the Commission deny TexCom's applications for the above-reference wells.

4. While the above-referenced case has been pending at TCEQ, the Railroad Commission of Texas ("RRC" or "Railroad Commission") conducted a hearing in Oil & Gas Docket No. 03-0266270, to examine a RRC "no harm" letter TexCom submitted with its UIC application.¹

5. On November 19, 2010, the technical and legal examiners for the Railroad Commission issued their Examiners' Report and Proposal for Decision, recommending that the "no harm" letter issued to TexCom be rescinded.²

6. On January 13, 2011, the Railroad Commission issued a Final Order formally adopting the Examiners' Report and Proposal for Decision, and voted unanimously to rescind the "no harm" letter issued to TexCom and included as part of its UIC application. A true and correct copy of this Final Order is attached hereto as **Exhibit A**.

7. Pursuant to 30 Texas Administrative Code § 80.265, Denbury moves to supplement the evidentiary record before the Commission in this matter with the Railroad Commission's Final Order in Oil & Gas Docket No. 03-0266270. This Final Order makes clear

¹ *Complaint-Called Hearing on the Complaint of Denbury Onshore, LLC Regarding The "No Harm" Letter Issued Administratively to TexCom Gulf Disposal, LLC by the Railroad Commission's Environmental Services Section on September 16, 2005, Regarding Class I Nonhazardous Waste Disposal Well Nos. 1, 2, 3, and 4 at the TexCom Gulf Disposal Facility in Montgomery County, Texas.*

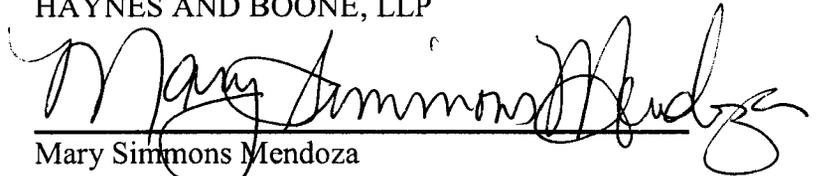
² Examiners' Report and Proposal for Decision at 12 ("recommend that the September 16, 2005 'no harm' letter issued by the Railroad Commission to TexCom Gulf Disposal, LLC, be rescinded.") (filed Nov. 19, 2010).

that TexCom's "no harm" letter submitted as part of its UIC application has been rescinded, and the Railroad Commission has concluded that TexCom's proposed project would endanger a known oil and gas reservoir.

8. In the alternative, Denbury asks that the Commission take judicial notice of the Railroad Commission's Final Order in Oil & Gas Docket No. 03-0266270, and that the Commission take judicial notice that TexCom's "no harm" letter has been rescinded.

Respectfully submitted,

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**ATTORNEYS FOR PROTESTANT DENBURY
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CERTIFICATE OF SERVICE

SERVICE LIST

I hereby certify that on this the 14th day of January, 2011, a true and correct copy of the foregoing has been served upon the following via the methods indicated below:

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via hand delivery

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Honorable Catherine C. Egan
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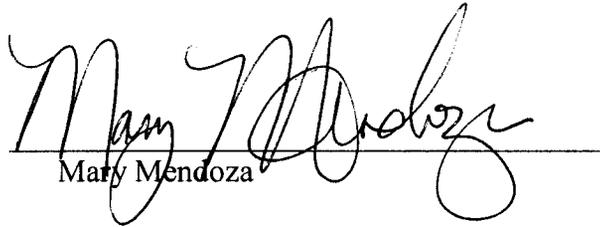
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SOAH Docket No. 582-07-2673

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Office of the Chief Clerk

*via e-filing and hand
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**Denbury Onshore, LLC's Motion to Supplement the Administrative
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