



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 08-0292021**

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**THE APPLICATION OF DIAMONDBACK E & P LLC FOR AN EXCEPTION TO STATEWIDE RULE 32, FOR THE GRIDIRON 1H TANK BATTERY, SPRABERRY (TREND AREA) FIELD, MIDLAND COUNTY, TEXAS**

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**HEARD BY:** Paul Dubois – Technical Examiner  
Terry Johnson – Hearings Examiner

**HEARING DATE:** November 14, 2014

**CONFERENCE DATE:** January 27, 2014

**APPEARANCES:**

Jamie Nielson  
Caleb Tash  
Marc Dingler

**REPRESENTING:**

Diamondback E & P LLC

### EXAMINER'S REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

Pursuant to Statewide Rule 32 (16 Tex. Admin. Code § 3.32), Diamondback E & P LLC (Diamondback), requests authority to flare casinghead gas for a limited period of time from the subject Gridiron 1H Tank Battery. The application was not protested.

#### DISCUSSION OF EVIDENCE

Statewide Rule 32 governs the utilization of gas well gas and casinghead gas produced by oil and gas wells under the jurisdiction of the Railroad Commission. Statewide Rule 32 provides operators with the ability to request authority to flare gas in certain situations, including those in which adequate gas gathering system capacity is unavailable. For the Gridiron 1H Tank Battery, Diamondback has obtained the maximum administrative authority to vent or flare gas for a period of 180 days (Permit No. 16860). The administrative permit expired on September 26, 2014. Through this application, Diamondback seeks a commission Final Order to extend this authority until a pipeline

connection can be made.

On November 7, 2014, Diamondback ceased flaring at the subject tank battery because a temporary pipeline connection was made eliminating the need to flare. At the hearing Diamondback indicated that a permanent pipeline connection would be established on December 5, 2014. Therefore, Diamondback no longer has a need to flare gas beyond December 5, 2014. Diamondback requests authority to flare 3,000 mcf/day be granted from the date of the expiration of the administrative permit (September 26, 2014) through December 5, 2014.

### **FINDINGS OF FACT**

1. All parties entitled to notice were notified at least 10 days prior to the hearing.
2. Diamondback E & P LLC produces oil and casinghead gas from wells served by its Gridiron 1H Tank Battery in the Spraberry (Trend Area) Field in Midland County, Texas.
3. Diamondback has obtained the maximum 180 day administrative exceptions to flare gas from the subject leases.
4. On November 7, 2014, Diamondback ceased flaring at the subject tank battery because a temporary pipeline connection was made eliminating the need to flare.
5. On December 5, 2014, a permanent pipeline connection was established.
6. The requested exception will cover Diamondback's need to flare gas from the expiration of the administrative permit on September 26, 2014, through the permanent pipeline connection on December 5, 2014.

### **CONCLUSIONS OF LAW**

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 1.45
3. All requirements of Statewide Rule 32 have been satisfied. 16 Tex. Admin. Code § 3.32

**RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend the requested exception to Statewide Rule 32 be granted.

Respectfully submitted,



Paul Dubois  
Technical Examiner



Terry Johnson  
Hearings Examiner