

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 08-0299257**

**IN THE FORD, WEST (WOLFCAMP)
FIELD, CULBERSON COUNTY, TEXAS**

**FINAL ORDER
GRANTING THE APPLICATION OF CAPITAN ENERGY, INC. FOR AN EXCEPTION
TO STATEWIDE RULE 32 PERMIT FOR THE JESS FEE 40 LEASE WELL NO. 1H,
WILLIAM FEE 32 LEASE WELL NO. 1H, STATE ALEXANDRA 14-11 LEASE WELL
NO. 1H, AND PAT FEE 4 LEASE WELL NO. 1H,
FORD, WEST (WOLFCAMP) FIELD,
CULBERSON COUNTY, TEXAS**

The Commission finds that (1) after statutory notice in the above-numbered docket heard on March 18, 2016, the presiding Examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; (2) the proposed application is in compliance with all statutory requirements; and (3) this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the Examiners' report and recommendation and the findings of fact and conclusions of law contained therein, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates those findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Capitan Energy Inc. is hereby granted exceptions to Statewide Rule 32 for four leases in the Ford, West (Wolfcamp) Field, Culberson County, Texas. Capitan Energy, Inc. is authorized to:

- Flare up to 2,500 thousand cubic feet (MCF) of gas per day from the Jess Fee 40 No. 1H (Permit No. 24314) from January 6, 2016 through January 5, 2018;
- Flare up to 2,500 MCF of gas per day from the William Fee 32 No. 1H (Permit No. 24313) from January 6, 2016 through January 5, 2018;
- Flare up to 2,500 MCF of gas per day from the State Alexandra 14-11 No. 1H (Permit No. 23345) from February 8, 2016 through February 7, 2018; and
- Flare up to 2,500 MCF of gas per day from the Pat Fee 4 No. 1H (Permit No. 25149) from April 11, 2016 through April 10, 2018.

The authority is granted, provided all production is reported on the appropriate Commission forms. The operator shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the appropriate Commission required administrative Statewide Rule 32 Exception gas flaring fee for the facility.

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 Commission Order is signed.

Done this 12th day of April, 2016.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Divisions' Unprotested Master
Order dated April 12, 2016)**