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DANA AVANT LEWIS  
*DIRECTOR*

## RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

**OIL & GAS DOCKET NO. 08-0314808**

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**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS FLARE POINTS IN THE SANDBAR (BONE SPRING) FIELD, LOVING AND REEVES COUNTIES, TEXAS**

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**OIL & GAS DOCKET NO. 08-0314812**

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**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS LEASES IN THE RED BLUFF (CONSOLIDATED) FIELD, LOVING COUNTY, TEXAS**

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**OIL & GAS DOCKET NO. 08-0314813**

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**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS FLARE POINTS IN THE PHANTOM (WOLFCAMP) FIELD, LOVING COUNTY, TEXAS**

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**HEARD BY:** Petar Buva – Technical Examiner  
Kristi M. Reeve – Administrative Law Judge

**HEARING DATE:** October 31, 2018  
**CONFERENCE DATE:** December 11, 2018

**APPEARANCES:** **REPRESENTING:**

**APPLICANT:** WPX Energy Permian, LLC

Bill G. Spencer (Consultant)  
James Clark (Engineer)

**EXAMINERS' REPORT AND RECOMMENDATION****STATEMENT OF THE CASE**

WPX Energy Permian LLC ("WPX") seeks exception renewals for its current Statewide Rule 32 exceptions for the following leases:

1. Various Flare Points in the Sandbar (Bone Spring) Field, Loving and Reeves Counties, Texas;
2. CBR 22 (44623) Lease, Well Nos. 4DH and 32, and the TXL 27 (47076) Lease, Well No. 1DH, Red Bluff (Consolidated) Field, Loving County, Texas; and
3. Various Flare Points in the Phantom (Wolfcamp) Field, Loving County, Texas.

For each application, WPX is requesting an extension of its current Statewide Rule 32 exception. Notice of each application was provided to all offset operators. The applications are unopposed and the Technical Examiner and Administrative Law Judge (collectively, "Examiners") recommend approval of the applications.

**DISCUSSION OF THE EVIDENCE**

Statewide Rule 32 governs the utilization for legal purposes of natural gas produced under the jurisdiction of the Railroad Commission. Specifically, Statewide Rule 32(j) *Opportunity for hearing* states that an operator may request a hearing on any application for an exception, or exception renewal required by this section.

**Various Flare Points in the Sandbar (Bone Spring) Field, Loving and Reeves Counties, Texas**

WPX requests an exception to Statewide Rule 32 for various flare points in the Sandbar (Bone Spring) Field, in Loving and Reeves Counties, Texas. WPX requests permission to flare the casinghead gas for up to 2 years from October 12, 2018, to October 12, 2020, for the following flare points:

Flare Permit No.	Lease Name	RRC Lease No.	Well No.	Maximum Flare Volume (MCF/day)
28837	Pecos State 46	278935	1H	1,500
27604	Lindsay 10	44395	5H	1,500
27607	Robinson 5	277586	2H	2,250
28836	Robinson 5	278861	1H	4,500
28839	CBR 22	278777	1H	2,400
28509	CBR 32	277928	1H	2,700
27605	Covington 46	278512	1H	1,500
27606	Lindsay 2	278466	2H	3,000

**CBR 22 (44623) Lease, Well No. 4DH and 32, and the TXL 27 (47076) Lease, Well No. 1DH, Red Bluff (Consolidated) Field, Loving County, Texas**

WPX requests an exception to Statewide Rule 32 for the CBR 22 (44623) Lease, Well No. 4DH, and the TXL 27 (47076) Lease, Well No. 1DH, Red Bluff (Consolidated) Field, Loving County, Texas. WPX requests permission to flare 1,500 MCF (thousand cubic feet) per day of casinghead gas for up to 2 years from October 12, 2018, to October 12, 2020.

**Various Flare Points in the Phantom (Wolfcamp) Field, Loving County, Texas**

WPX requests an exception to Statewide Rule 32 for various flare points in the Phantom (Wolfcamp) Field, in Loving County, Texas. WPX requests permission to flare the casinghead gas for up to 2 years from October 12, 2018, to October 12, 2020 for the following flare points:

Flare Permit No.	Lease Name	RRC Lease No.	Well No.	Maximum Flare Volume (MCF/day)
27619	CBR 10	45715	3H	750
27618	CBR 10	45715	4H	750
27608	CBR 32	45789	4H	1,800
27621	CBR 44A	42723	1H	4,500
27620	CBR 44	45720	2H	4,500
27611	Covington 46	45738	2H	3,00
27610	Covington 46	45738	3H	3,000
27622	Lindsay 10	46362	9H	1,500
27623	Lindsay 10	46362	8H	1,500
28508	Lindsay 9	47397	1H	2,100
29741	Lindsay 9	47397	3H	2,100
29742	Lindsay 9	47397	4H	2,100
27600	Red Bluff 13	45705	3H	900
27601	Red Bluff 13	45705	5H	900

WPX requests flaring during routine maintenance or sales line unavailability.

WPX agreed that pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order can be final and effective on the date a Master Order relating to this Final Order is signed.

**FINDINGS OF FACT**

1. Notice of this hearing was given to offset operators in the subject field at least ten days prior to the date of hearing. There were no protests to the application.

2. On August 27, 2018, the Commission received a hearing request from WPX for an exception to Statewide Rule 32 for the various flare points in the Sandbar (Bone Spring) Field, Loving and Reeves Counties, Texas.
3. WPX requests an exception to Statewide Rule 32 in the application to flare a maximum flare volume and dates as described in Appendix A.
4. The various flare points were flaring under the prior administrative flaring exception, Oil and Gas Docket No. 08-0302119 from October 12, 2016 to October 12, 2018.
5. On August 27, 2018, the Commission received a hearing request from WPX for an exception to Statewide Rule 32 for the VSBR 22 (44623) Lease, Well No. 4DH and 32, and the TXL 27 (47076) Lease, Well No. 1DH, Red Bluff (Consolidated) Field, Loving County, Texas.
6. WPX requests permission to flare at the maximum cubic feet (MCF) volume of 1,500 Mcf per day of casinghead gas for up to 2 years from October 12, 2018, to October 12, 2020.
7. On August 27, 2018, the Commission received a hearing request from WPX for an exception to Statewide Rule 32 for the various flare points in the Phantom (Wolfcamp) Field, Loving County, Texas
8. WPX requests an exception to Statewide Rule 32 in the application to flare a maximum flare volume and dates as described in Appendix A.
9. The various flare points were flaring under the prior administrative flaring exception, Oil and Gas Docket No. 08-0302118 from October 12, 2016 to October 12, 2018.
10. WPX agreed in writing or on the record that, pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order can be final and effective on the date a Master Order relating to this Final Order is signed.

### **CONCLUSIONS OF LAW**

1. Notice was issued as required by applicable statutes and commission rules.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. Title 16, Texas Administrative Code Section 3.32(h)(4) provides for an exception for more than 180 days and for volumes greater than 50 MCF per day.

4. Pursuant to §2001.144(a)(4)(A) of the Texas Government Code and by agreement of the parties in writing or on the record, the Final Order can be final and effective when a Master Order relating to this Final Order is signed.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission grant exceptions to Statewide Rule 32 from October 12, 2018 to October 12, 2020 for various flare points in the Sandbar (Bone Spring) Field, Loving and Reeves Counties, Texas, VSBR 22 (44623) Lease, Well No. 4DH and 32, and the TXL 27 (47076) Lease, Well No. 1DH, Red Bluff (Consolidated) Field, Loving County, Texas, and various flare points in the Phantom (Wolfcamp) Field, Loving County, Texas at the requested volumes as requested by WPX Energy Permian, LLC.

Respectfully submitted,



Petar Buva  
Technical Examiner



Kristi M. Reeve  
Administrative Law Judge

## Appendix A

## Oil &amp; Gas Docket No. 08-0314808

Flare Permit No.	Lease Name	RRC Lease No.	Well No.	Maximum Flare Volume (Mcf/month)
28837	Pecos State 46	278935	1H	1,500
27604	Lindsay 10	44395	5H	1,500
27607	Robinson 5	277586	2H	2,250
28836	Robinson 5	278861	1H	4,500
28839	CBR 22	278777	1H	2,400
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27605	Covington 46	278512	1H	1,500
27606	Lindsay 2	278466	2H	3,000

## Oil &amp; Gas Docket No. 08-0314813

Flare Permit No.	Lease Name	RRC Lease No.	Well No.	Maximum Flare Volume (Mcf/month)
27619	CBR 10	45715	3H	750
27618	CBR 10	45715	4H	750
27608	CBR 32	45789	4H	1,800
27621	CBR 44A	42723	1H	4,500
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27611	Covington 46	45738	2H	3,00
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27622	Lindsay 10	46362	9H	1,500
27623	Lindsay 10	46362	8H	1,500
27603	Pecos State 46	45627	4H	1,050
28508	Lindsay 9	47397	1H	2,100
29741	Lindsay 9	47397	3H	2,100
29742	Lindsay 9	47397	4H	2,100
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