

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 7C-0319396

APPLICATION OF EP ENERGY E&P COMPANY, L.P. (253385) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS FACILITIES IN BLOCK 39-B (ELLEN), LIN (WOLFCAMP), SAWYER (LEONARD), AND SPRABERRY (TREND AREA) FIELDS, CROCKETT, IRION, AND REAGAN COUNTIES, TEXAS

FINAL ORDER

The Railroad Commission of Texas ("Commission") finds that after notice in the above-docketed case was provided to all parties entitled to notice, a hearing was heard on June 25, 2019, by a Commission Technical Examiner and Administrative Law Judge. This proceeding was duly submitted to the Commission at a conference held in its offices in Austin, Texas. After considering this matter, the Commission adopts the following findings of fact and conclusions of law.

Findings of Fact

1. EP Energy E&P Company, L.P. ("EP" or "Applicant") seeks a two-year exception to Statewide Rule 32 for various facilities in Block 39-B (Ellen), Lin (Wolfcamp), Sawyer (Leonard), and Spraberry (Trend Area) Fields, Crockett, Irion, and Reagan Counties, Texas.
2. EP submitted a request for hearing on the Statewide Rule 32 exception for flaring authority on March 7, 2019.
3. On June 3, 2019, the Hearings Division of the Commission sent a Notice of Hearing to Applicant and all offsetting operators in the field setting a hearing date of June 25, 2019.
4. The Commission granted prior administrative exceptions to Statewide Rule 32 at rates and time periods listed below:

PREVIOUS FLARE EXCEPTION PERMIT NO.	COMMINGLE PERMIT NO. (IF APPLICABLE)	FLARE POINT NAME	FIELD	PREVIOUS EXCEPTION AUTHORITY TYPE (ADMIN. OR FINAL ORDER No.)	PREVIOUS PERMIT END DATE	PREVIOUS MAXIMUM FLARE VOLUME (MCFD)	CASINGHEAD GAS OR GAS WELL GAS
20087	17575 17690	UNIVERSITY CENTRAL 0801 CPF	LIN (WOLFCAMP) & SPRABERRY (TREND AREA)	7C-0304399	5/22/2019	200	CASINGHEAD GAS

19432	17575	UNIVERSITY CENTRAL 0812 CPF	LIN (WOLFCAMP)	7C-0304399	4/14/2019	200	CASINGHEAD GAS
20081	17575	UNIVERSITY CENTRAL 0812AH FACILITY	LIN (WOLFCAMP)	7C-0304399	5/21/2019	100	CASINGHEAD GAS
20082	17575	UNIVERSITY CENTRAL 0812BH FACILITY	LIN (WOLFCAMP)	7C-0304399	5/21/2019	100	CASINGHEAD GAS
20088	17575	UNIVERSITY CENTRAL 0819 CPF	LIN (WOLFCAMP)	7C-0304398	5/22/2019	500	CASINGHEAD GAS
20086	17575	UNIVERSITY CENTRAL 0824 CPF	LIN (WOLFCAMP)	7C-0304399	5/21/2019	2000	CASINGHEAD GAS
19423	17575	UNIVERSITY CENTRAL 1115 CPF	LIN (WOLFCAMP)	7C-0304398	4/19/2019	500	CASINGHEAD GAS
19429	17576	UNIVERSITY EAST 4107 CPF (AKA CPF 4)	LIN (WOLFCAMP)	7C-0303916	4/14/2019	2000	CASINGHEAD GAS
20024	17576	UNIVERSITY EAST 4109 CPF (AKA CPF 5)	LIN (WOLFCAMP)	7C-0303916	5/19/2019	2000	CASINGHEAD GAS
20027	17576	UNIVERSITY EAST 4317 CPF	LIN (WOLFCAMP)	7C-0304411	5/20/2019	1000	CASINGHEAD GAS
20085	17576	UNIVERSITY EAST 4318AH FACILITY	LIN (WOLFCAMP)	7C-0304411	5/21/2019	300	CASINGHEAD GAS
20084	17576	UNIVERSITY EAST 4319AH FACILITY	LIN (WOLFCAMP)	7C-0304411	5/21/2019	100	CASINGHEAD GAS
20083	17576	UNIVERSITY EAST 4322AH FACILITY	LIN (WOLFCAMP)	7C-0304411	5/21/2019	500	CASINGHEAD GAS
19430	17576	UNIVERSITY EAST 4411 CPF (AKA CPF 2)	LIN (WOLFCAMP)	7C-0303916	4/14/2019	2000	CASINGHEAD GAS
20090	17576	UNIVERSITY EAST 4418 CPF (AKA CPF 3)	LIN (WOLFCAMP)	7C-0303916	5/21/2019	2000	CASINGHEAD GAS
21426	17576 20041	UNIVERSITY EAST 4716 CPF (AKA CPF 1)	FARMER (SAN ANDRES) & LIN (WOLFCAMP)	7C-0303916	4/14/2019	2000	CASINGHEAD GAS
20089	17576	UNIVERSITY EAST 4718 CPF	LIN (WOLFCAMP)	7C-0303916	5/23/2019	500	CASINGHEAD GAS
19736	18991	UNIVERSITY SOUTH 4506 CPF	LIN (WOLFCAMP)	7C-0304412	4/21/2019	500	CASINGHEAD GAS

19738	18991	UNIVERSITY SOUTH 4525 CPF	LIN (WOLFCAMP)	7C-0304412	4/21/2019	500	CASINGHEAD GAS
19739	18991	UNIVERSITY SOUTH 4613 CPF	LIN (WOLFCAMP)	7C-0304412	4/21/2019	500	CASINGHEAD GAS
19731	18991	UNIVERSITY SOUTH 4617 CPF	LIN (WOLFCAMP)	7C-0304412	4/21/2019	500	CASINGHEAD GAS
23039	17668	UNIVERSITY STONEGATE 3822 CPF	LIN (WOLFCAMP)	7C-0304413	5/19/2019	500	CASINGHEAD GAS
20093	17668	UNIVERSITY STONEGATE 3907AH FACILITY	LIN (WOLFCAMP)	7C-0304413	5/26/2019	100	CASINGHEAD GAS
20025	17668	UNIVERSITY STONEGATE 3911AH FACILITY	LIN (WOLFCAMP)	7C-0304413	5/20/2019	100	CASINGHEAD GAS
19433	17574 18083	UNIVERSITY STONEGATE 3913 CPF	SAWYER (LEONARD) & SPRAYBERRY (TREND AREA)	7C-0304413	4/14/2019	500	CASINGHEAD GAS

5. EP is requesting authority to flare due to the pipeline unavailability during intermittent compressor downtime.
6. The requested Statewide Rule 32 exception for the flare points listed in the Attachments A is necessary for EP to produce the hydrocarbon liquids from the respective leases due to the inability to put gas in the pipeline during compressor downtime. In addition, the curtailment of gas production by reducing production or shutting in wells would cause waste.
7. EP agreed that the Final Order in this case is to be final and effective when a Master Order relating to this Final Order is signed.

Conclusions of Law

1. Proper notice was issued to persons entitled to notice. TEX. GOV'T CODE § 2001.051; 16 Tex. Admin. Code §§ 1.42, 1.45.
2. The Commission has jurisdiction in this case. TEX. NAT. RES. CODE § 81.051.
3. EP meets the requirements in Statewide Rule 32 to flare of casinghead gas from flaring points, rates, and time periods listed in the Attachment A, and the flaring of such gas is necessary.

4. This Final Order is final and effective on the date a Master Order relating to this Final Order is signed. TEX. GOV'T CODE § 2001.144(a)(4)(A).

Ordering Provisions

It is **ORDERED** that EP Energy E&P Company, L.P. (253385), be granted an exception to Statewide Rule 32 for the for the maximum volumes and time periods reflected in attached Attachment A and the request for flaring be **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. EP shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the required fee for a Statewide Rule 32 exception for each individual flare point on the leases. See 16 Tex. Admin. Code § 3.32(h)(1).

Pursuant to § 2001.144(a)(4)(A) of the Texas Government Code and the agreement of the applicant in writing or on the record, **the party has waived the right to file a motion for rehearing and the Final Order in this case is final and effective on the date the Master Order relating to the Final Order is signed.**

Signed on September 11, 2019

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Division's Unprotested Master Order dated September 11, 2019)

ATTACHMENT A – PROPOSED FLARE EXCEPTION AUTHORITY(IES)

Permit No.	Lease No.	Flare Point Name	Field	Permit Start Date (1)	Permit End Date	Proposed Maximum Flare Volume (Mcf/d)	Casinghead Gas or Gas Well Gas
20087	17575 17690	University Central 0801 CPF	Lin (Wolfcamp) & Spraberry (Trend Area)	5/23/2019	5/22/2021	200	Casinghead Gas
19432	17575	University Central 0812 CPF	Lin (Wolfcamp)	4/15/2019	4/14/2021	200	Casinghead Gas
20081	17575	University Central 0812AH Facility	Lin (Wolfcamp)	5/22/2019	5/21/2021	100	Casinghead Gas
20082	17575	University Central 0812BH Facility	Lin (Wolfcamp)	5/22/2019	5/21/2021	100	Casinghead Gas
20088	17575	University Central 0819 CPF	Lin (Wolfcamp)	5/23/2019	5/22/2021	500	Casinghead Gas
20086	17575	University Central 0824 CPF	Lin (Wolfcamp)	5/22/2019	5/21/2021	2000	Casinghead Gas
19423	17575	University Central 1115 CPF	Lin (Wolfcamp)	4/20/2019	4/19/2021	500	Casinghead Gas
19429	17576	University East 4107 CPF (AKA CPF 4)	Lin (Wolfcamp)	4/15/2019	4/14/2021	2000	Casinghead Gas
20024	17576	University East 4109 CPF (AKA CPF 5)	Lin (Wolfcamp)	5/20/2019	5/19/2021	2000	Casinghead Gas
20027	17576	University East 4317 CPF	Lin (Wolfcamp)	5/21/2019	5/20/2021	1000	Casinghead Gas
20085	17576	University East 4318AH Facility	Lin (Wolfcamp)	5/22/2019	5/21/2021	300	Casinghead Gas
20084	17576	University East 4319AH Facility	Lin (Wolfcamp)	5/22/2019	5/21/2021	100	Casinghead Gas
20083	17576	University East 4322AH Facility	Lin (Wolfcamp)	5/22/2019	5/21/2021	500	Casinghead Gas
19430	17576	University East 4411 CPF (AKA CPF 2)	Lin (Wolfcamp)	4/15/2019	4/14/2021	2000	Casinghead Gas
20090	17576	University East 4418 CPF (AKA CPF 3)	Lin (Wolfcamp)	5/22/2019	5/21/2021	2000	Casinghead Gas
21426	17576 20041	University East 4716 CPF (AKA CPF 1)	Farmer (San Andres) & Lin (Wolfcamp)	4/15/2019	4/14/2021	2000	Casinghead Gas
20089	17576	University East 4718 CPF	Lin (Wolfcamp)	5/24/2019	5/23/2021	500	Casinghead Gas
19736	18991	University South 4506 CPF	Lin (Wolfcamp)	4/22/2019	4/21/2021	500	Casinghead Gas
19738	18991	University South 4525 CPF	Lin (Wolfcamp)	4/22/2019	4/21/2021	500	Casinghead Gas
19739	18991	University South 4613 CPF	Lin (Wolfcamp)	4/22/2019	4/21/2021	500	Casinghead Gas
19731	18991	University South 4617 CPF	Lin (Wolfcamp)	4/22/2019	4/21/2021	500	Casinghead Gas
23039	17668	University Stonegate 3822 CPF	Lin (Wolfcamp)	5/20/2019	5/19/2021	500	Casinghead Gas
20093	17668	University Stonegate 3907AH Facility	Lin (Wolfcamp)	5/27/2019	5/26/2021	100	Casinghead Gas

20025	17668	University Stonegate 3911AH Facility	Lin (Wolfcamp)	5/21/2019	5/20/2021	100	Casinghead Gas
19433	17574 18083	University Stonegate 3913 CPF	Sawyer (Leonard) & Sprayberry (Trend Area)	4/15/2019	4/14/2021	500	Casinghead Gas