



Railroad Commission of Texas
Statewide 32 Exception Application Online System
Webinar
June 02, 2021

The meeting will begin shortly.





SWR 32 Exception Application Online System Presentation Form R-32

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June 2, 2021



Power Point Presentation



This presentation is available for download from the RRC website at <https://www.rrc.texas.gov/oil-and-gas/workshops-and-conferences/statewide-32-exception-application-online-system-webinar/>

Objective



To introduce the new online system that implements Form R-32.

- Overview of the RRC Flare/Vent Program
- New Form R-32
- R-32 Online System (Phase 1)
- Demonstration
- Tips
- Questions



RRC Flare/Vent Program (Rule 32)

- Form R-32 (Adopted 11/4/2020)
 - Harmonize the Form with the Rule
 - Collect better data
 - Facilitate data evaluation
 - Facilitate compliance assessment
 - Establish a structure for an online system



RRC Flare/Vent Program (Rule 32)

- R-32 Online (Phase 1) implemented 5/2/2021
 - R-32 online filing is preferred (paper forms may be filed for the time being)
 - “Rule 32 Data Sheet” is discontinued (paper filings of the Rule 32 Data Sheet will be returned)



RRC Flare/Vent Program (Rule 32)

- Phase 2 to be implemented Fall 2021
 - Changes to Form PR to be implemented
 - Disposition Codes (9/1/2021)
 - Remarks (1/1/2022)
- Phase 3 to be implemented Fall 2021
 - Public Portal
 - Agency Data Tools

Form R-32



- Download the form here:
<https://www.rrc.texas.gov/oil-and-gas/oil-and-gas-forms/>
- There are four pdf files:
 - Form R-32
 - Instructions
 - Attachment 1 (for multiple properties)
 - Attachment 2 (for multiple flare/vent locations)

Form R-32 – Operator Information



SECTION 1: APPLICANT AND GENERAL INFORMATION

1. Operator P-5 Number:
2. Operator Name:
3. 24-Hour Emergency Contact Number:
4. Operator Address:
5. Site Name:
6. Is the operator aware of the “Recommended Lighting Practices” related to flaring in the February 2019 Notice to Operators (see <https://rrc.texas.gov/media/50349/notice-to-operators-dark-skies-2-11-2019.pdf>)
 - a. Yes
 - b. No

- **Site Name**

- May be a lease name or some other identifier.
- Does not have to be an official “regulatory” name.
- Should accurately represent the property(ies) to be included by the exception.

Form R-32 – Exception Type



SECTION 2: EXCEPTION TYPE

1. Is this application for a new or a renewal exception (check one)?
 - a. New. *See Instructions.*
 - b. Renewal of SWR 32 Exception Number:
 - i. Administrative Renewal. *See Instructions.*
 - ii. Hearing Request. *See Instructions.*

- **Renewal**

- Enter the existing SWR 32 exception number being renewed – Form R-32 does not have a “fillable” space but the online system has a box where the exception number is entered
- Follow associated directions

Form R-32 – Producing Property



SECTION 3: PRODUCING PROPERTY

1. This exception request is associated with the following oil or gas property (choose one):
 - a. Drilling Permit Number: _____
 - b. Gas ID Number: _____
 - c. Oil Lease Number: _____
 - d. Surface Commingle Permit Number: _____
 - i. Number of commingled properties: _____ (Complete **ATTACHMENT 1**)
 - e. Gas Plant Serial Number: _____
 - f. Multiple properties [in the event of a full or partial shut-down of a gas plant, gas gathering system, etc., as provided for in SWR 32 (h)(8)]
 - i. Number of properties: _____ (Complete **ATTACHMENT 1**)
2. Number of flares and/or vents associated with this exception: _____
3. Is this oil and/or gas property connected to a gas gathering or transmission system?
 - a. Yes
 - b. No. Provide the distance to the nearest pipeline: _____ feet or miles

- **Property-Centric**

- One Property (most cases)
- Multiple Properties (commingle, gas system shut-down)
- Number of Flares/Vents

Form R-32 – Requested Release Authority



SECTION 4 – REQUESTED RELEASE AUTHORITY

1. Requested Release Rate. *See Instructions.*
 - a. _____ MCF/Day. *See Instructions.*
 - i. For every day of the calendar month, or
 - ii. For _____ days per calendar month.
2. Requested Exception Duration
 - a. Effective Date: _____
 - b. Expiration Date:
 - i. _____
 - ii. permanent
3. Method of Gas Measurement
 - a. Orifice Meter
 - b. Turbine Meter
 - c. Mass Flow Meter
 - d. Other Meter: _____
 - e. Estimate [See SWR 27(i)]

- If multiple properties
 - The Requested Release Rate is the sum of all properties for this exception.
 - Use Attachment 1 to include property-specific details

Form R-32 – Attachment 1



RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form R-32
Effective 11/04/2020

Application for Exception to Statewide Rule 32

Attachment 1 – Individual Property Information For Commingle Permit And Multiple Property Exceptions

District	ID Type	ID Number	Daily Release Rate (mcf/day)
	<input type="checkbox"/> Drilling Permit <input type="checkbox"/> Oil Lease <input type="checkbox"/> Gas ID		
	<input type="checkbox"/> Drilling Permit <input type="checkbox"/> Oil Lease <input type="checkbox"/> Gas ID		
	<input type="checkbox"/> Drilling Permit <input type="checkbox"/> Oil Lease <input type="checkbox"/> Gas ID		

- Need Daily Release Rate for **all** properties

Form R-32 – Flare/Vent Information



SECTION 5 – FLARE/VENT INFORMATION

(Complete **ATTACHMENT 2** for multiple flares and/or vents)

1. Flare or Vent Name: _____
2. Release Type (Check one)
 - a. Flare
 - b. Vent. *See Instructions.*
3. Release Height (above ground surface):
_____ feet
4. Release Location:
 - a. District: _____
 - b. County: _____
 - c. Latitude: _____ °N
(decimal degrees preferred)
 - d. Longitude: _____ °W
 - e. Datum:
 - i. NAD 27
 - ii. NAD 83
 - iii. WGS 84

- “Name” does not have to be the same as “Site Name” in Section 1, Item 5
- Online system validation will return an error if the lat/long are not in the county
- Use Attachment 2 for multiple flare/vent locations

Form R-32 – Compliance With SWR 36



SECTION 6 – COMPLIANCE WITH SWR 36

1. Is the flare/vent facility identified in Section 5 subject to SWR 36 (hydrogen sulfide area)?
 - a. Yes
 - i. Form H-9 Number:
 - ii. H₂S Concentration: ppm
 - b. No
2. If the flare/vent facility is subject to SWR 36, what is nearest public area within 1 mile?
 - a. Distance: feet or none
 - b. Type
 - i. Dwelling or residential area
 - ii. Public facility such as school or business location
 - iii. Public road
 - iv. Other:

- If there is a public area within one mile, input distance (feet) and then select the type of public area.
- If there is no “public area” within one mile, mark “none” in Item 2.a.

Form R-32 – Attachment 2



RAILROAD COMMISSION OF TEXAS
Oil and Gas Division

Form R-32
Effective 11/04/2020

Application for Exception to Statewide Rule 32

Attachment 2 – Multiple Flares and Vents

No.	Flare or Vent Name	Release Type	Release Height (ft)	District	County	Latitude & Longitude	Datum	Flares/Vents Subject to SWR 36 Only		
								H-9 No.	H ₂ S (ppm)	Distance to Nearest Public Area within One Mile and Type
		<input type="checkbox"/> Flare <input type="checkbox"/> Vent				_____°N _____°W	<input type="checkbox"/> NAD 27 <input type="checkbox"/> NAD 83 <input type="checkbox"/> WGS 84			_____ ft <input type="checkbox"/> Dwelling or Residence <input type="checkbox"/> School or Business <input type="checkbox"/> Public Road <input type="checkbox"/> None <input type="checkbox"/> Other: _____
		<input type="checkbox"/> Flare <input type="checkbox"/> Vent				_____°N _____°W	<input type="checkbox"/> NAD 27 <input type="checkbox"/> NAD 83 <input type="checkbox"/> WGS 84			_____ ft <input type="checkbox"/> Dwelling or Residence <input type="checkbox"/> School or Business <input type="checkbox"/> Public Road <input type="checkbox"/> None <input type="checkbox"/> Other: _____

- For multiple flare/vent locations
- Combines information from Sections 5 and 6

Form R-32 – Rule-Defined Necessity for Release



SECTION 7 – RULE-DEFINED NECESSITY FOR RELEASE

Pursuant to SWR 32(f)(2), the necessity for the release includes the following (check the appropriate box and provide the additional required information as noted in the instructions):

1. Extended clean-up beyond 10 days [see SWR 32(f)(2)(A)]
2. Unloading excess formation fluid buildup [see SWR 32(f)(2)(B)]
3. Low pressure gas with authorized uses constrained by mechanical, physical, or economic impracticability [see SWR 32(f)(2)(C)]. *See Instructions.*
4. For casinghead gas only, the unavailability of a gas pipeline or marketing facility [see SWR 32(f)(2)(D)].
See Instructions.

Requested form of exception (check one):

- a. Administrative approval for 90 days, not to be renewed administratively.
 - b. Administrative approval for up to a 180-day period, in which flaring/venting is limited to 5 days per month.
 - c. Administrative approval up to 180 days, if gas volume flared is reduced via application of a flare reduction technology. *See Instructions.*
 - d. Step-out (drilling in undeveloped areas): a) lack of infrastructure for the quality of gas; or b) 2-1/2 miles radius review for pipeline availability; 90-day renewable administrative extensions available for a maximum of 180 days.
5. Avoiding curtailment of gas which will result in a reduction of ultimate recovery [see SWR 32(f)(2)(E)].
See Instructions.
 6. Other (check all that apply). *See Instructions.*
 - a. Insufficient Gas Gathering Capacity
 - b. System Upset (Operator)
 - c. System Upset (Third Party)
 - d. Scheduled Maintenance
 - e. Unscheduled Maintenance
 - f. Other

- These questions refer directly to the text of SWR 32 regard the necessity for the release.
- Select one, or multiple for Item No. 6

Form R-32 – Operator’s Certification



SECTION 8 – OPERATOR’S CERTIFICATION

I declare under the penalties prescribed in Sec. 91.143, Texas Natural Resources Code, that: I am authorized to make this report; that this report was prepared by me or under my supervision and direction; and that the data and facts stated herein are true, correct and complete, to the best of my knowledge.

1. Signature: _____
2. Date:
3. Name of Person (Type or print): _____
4. Title:
5. Telephone Number:
6. The applicant agrees to receive all Railroad Commission of Texas correspondence concerning the administrative review of this application via EMAIL ONLY:
 - a. Yes, at the following email address: _____
 - b. No

Demonstration



- RRC Online
- Filing a SWR 32 Exception Request
- Emailed Responses from RRC

Form R-32 – Flare Exception Status Letter



Christl Craddick, Chairman
Wayne Christian, Commissioner
Jim Wright, Commissioner



Denny Sorrells
Director, Oil and Gas Division

Paul Dubois, P.E.
Assistant Director, Engineering

RAILROAD COMMISSION OF TEXAS

OIL AND GAS DIVISION

04/20/2021

CAPITAN ENERGY, INCORPORATED
PO BOX 2476
CARLSBAD, NM 88221

RE: SWR 32 Flare/Vent Exception Application Filing No: 10384

Site Name: MOTHER FEE 28 3H

Property Type: Gas Lease

District: 08

Property Name: MOTHER FEE 28

Property ID: 288678

Engineering has reviewed your application for an exception to Statewide Rule 32. The current application status is: Approved.

Please log into the SWR 32 online system to see the review results. After you access the SWR 32 system, the **Action Needed** dashboard will display with applications in Returned Status. Click a navigation tab at the top of the screen to view other Exception Statuses. After you select an application from a dashboard, click the **RRC Review Result** tab at the top of the screen.

- The **Approved** dashboard displays applications in Approved status.
- The **Pending** dashboard displays applications in Hearing Pending or Hearing Requested status.
- The **Closed** dashboard displays Cancelled, Withdrawn, and Denied applications ineligible for a hearing.
- The **Denied - Request Hearing** dashboard displays Denied applications eligible for a hearing.
You can request a hearing for up to 30 days after an application is denied. From the **Denied-Request Hearing** dashboard, click the Actions button to the left of the row that contains the application. Click the option called "Request Hearing" that displays below the Actions button. After you confirm the request, the application status will change to Hearing Requested and Engineering will be notified.


If more information is needed, please email EngUnit@rrc.texas.gov or call 512-463-1126.

Sincerely,

Engineering Unit
Technical Permitting

Form R-32 – Approved Flare Exception



	RAILROAD COMMISSION OF TEXAS		FORM R-32
	1701 N. Congress		
	P.O. Box 12967		
	Austin, Texas 78701-2967		
Application Type:	New Exception	Filing No. :	10384
Exception Status :	Approved	Submittal Date :	04/20/2021
		Pymt Trace No. :	455RM005MZW32EI
EXCEPTION TO STATEWIDE RULE 32 - Page 1 of 1			

OPERATOR AND GENERAL INFORMATION

Operator Name :	CAPITAN ENERGY, INCORPORATED	Operator :	130061
Address Line 1 :	PO BOX 2476	City :	CARLSBAD
Address Line 2 :			
State :	NM	Postal Code :	88221
Site Name :	MOTHER FEE 28 3H		

AUTHORIZATION

Exception No.	50044-1		
Effective Date :	05/01/2021	Approval Date :	04/20/2021
Expiration Date :	06/30/2021	Docket No :	
Cumulative Days Authorized (since initial exception) :	61		
Authorized Release Rate (mcf/day) :	85		
Subject to the following limitations :			
<input checked="" type="checkbox"/>	Every day of the month		
<input type="checkbox"/>	Days of Flaring/venting each month :		
<input type="checkbox"/>	Not to exceed (mcf/month) :		

PRODUCING PROPERTIES

ID Type	District	ID Number	Daily Release Rate (mcf/day)
Gas Lease	08	288678	85

FLARE/VENT LOCATIONS

Type	Name	GPS Datum	Latitude / State Plane Y	Longitude / State Plane X	State Plane Zone
Flare	MOTHER FEE 28	NAD 83	31.809336	-104.080867	

Tips (1 of 4)



- Section 1, Item 5 & Section 5, Item 1
 - These two items are not required to be the same; however, it is likely they will be in most instances.
- Section 4, Item 2
 - Days during the requested period when flaring/venting does NOT occur will not be “credited”; the requested period will not be extended by “unused” days.



- Section 7, Item 4
 - Applies only to casinghead gas (oil leases)
 - Applies only for administrative exceptions (not hearing requests).



- Attachment I Applies in two different instances:
 - Commingle Permits. List all properties associated with Commingle Permit and the amount each contributes to total flare/vent rate.
 - Full or partial shut down of gathering line, gas plant or other gas handling facility (SWR 32 Sec (h)(8)).

Tips (4 of 4)



- Applications will not be accepted more than 14 days after the start of a flare event.
- A hearing may be requested for any denied application. Must file within 30 days.
- For hearing request, attach/upload cover letter and service list.

Questions?



- Any Questions?
- Click “Q&A” and type your question, now.



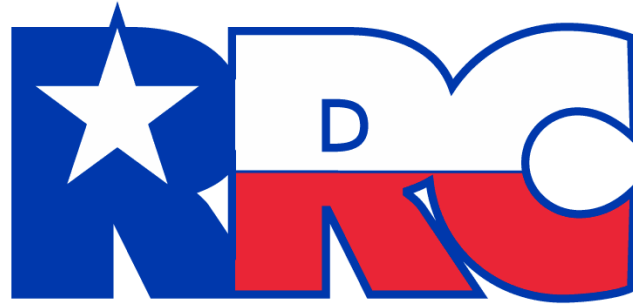
Evaluation

- Please complete the evaluation available on the RRC website at <https://survey.alchemer.com/s3/6260266/Statewide-32-Exception-Application-Online-System-Webinar-Evaluation-June-2-2021>

Archive Video

- A link to the archive video of the webcast will be available on the same webpage as the presentation.

Statewide Rule 32 Contacts



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