



RAILROAD COMMISSION OF TEXAS

HEARINGS DIVISION

OIL AND GAS DOCKET NO. 01-0288781

THE APPLICATION OF COMSTOCK OIL & GAS, LP FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR SEVENTEEN FLARE POINTS EAGLEVILLE (EAGLE FORD-1) FIELD LA SALLE AND MCMULLEN COUNTIES, TEXAS

HEARD BY: Karl Caldwell – Technical Examiner
Laura Miles-Valdez – Legal Examiner

DATE OF HEARING: June 3, 2014

APPEARANCES:

REPRESENTING:

APPLICANT:

Dale Miller
Richard Atkins, P.E.

Comstock Oil & Gas, LP

EXAMINERS' REPORT AND RECOMMENDATION

STATEMENT OF THE CASE

Comstock Oil & Gas, LP ("Comstock") requests a two year emergency exception to Statewide Rule 32 to flare casinghead gas from seventeen flare points in the Eagleville (Eagle Ford-1) Field, La Salle and McMullen Counties, Texas. Notice was provided to offset operators surrounding the subject flare points and no protests were received. The application is unopposed and the examiners recommend approval of the exception to Statewide 32 to flare casinghead gas from the seventeen flare points as requested by Comstock.

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(h) provides that an exception to flare natural gas in volumes greater than 50 MCFPD per well may be granted administratively for a period up to 180 days. Beyond that, Statewide Rule 32(h) provides that exceptions shall be granted only in a final order signed by the Commission. In the context of the subject application, Comstock is requesting an exception to flare casinghead gas produced from various leases as provided by Statewide Rule 32(h).

Comstock is seeking a two year exception to Statewide Rule 32, effective April 1, 2014 and expiring April 1, 2016 to flare casinghead gas from the seventeen flare points listed in Attachment A on an emergency, intermittent basis. The subject leases are currently connected to a gas gathering system. Comstock is requesting an exception to Statewide Rule 32 to flare casinghead gas in times of emergency when gas is unable to go to the gas sales line. The operator does not intent to flare gas, but given pipeline capacity issues and problems with a Regency gas gathering system there may be times when all gas is unable to go to the sales line.

Comstock has received previous exceptions to Statewide Rule 32 for the seventeen subject flare points. The Permit Nos., maximum flaring volumes authorized, and expiration dates of the current flare permits are listed in Attachment B. The Permit No. for Flare Point No. 10 (Gloria Wheeler Flare Pt. 2) was unknown at the time of the hearing. Comstock stated that the application had been submitted to the Commission. After the hearing the examiners checked Commission records and determined that the Permit No. for Flare Point No. 10 (Gloria Wheeler Flare Pt. 2) is Permit No. 017059, effective May 1, 2014, expiring June 15, 2014, authorizing flaring up to a maximum of 3,550 MCFPD of casinghead gas.

FINDINGS OF FACT

1. Proper notice of this hearing was given to offset operators of the flare points at least ten days prior to the date of hearing. There were no protests to the application.
2. The wells in the subject application are completed in the Eagleville (Eagle Ford-1) Field located in La Salle and McMullen Counties, Texas.
3. Comstock has current permits to flare casinghead gas from the seventeen flare points that are the subject of this application.
4. An operator is considered temporarily compliant with Statewide Rule 32 until final Commission action on the hearing application if it has requested a hearing at least 21 days prior to the expiration of the existing exception.
5. The subject leases and tank batteries in this application are currently connected to a gas gathering system.

6. Comstock is requesting an exception to Statewide Rule 32 for the seventeen subject flare points pursuant to 16 TAC §§3.32(h).

CONCLUSIONS OF LAW

1. Proper notice was issued as required by all applicable statutes and regulatory codes.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. The requested authority to flare casinghead gas satisfies the requirements of Title 16, Texas Administrative Code 3.32(h).

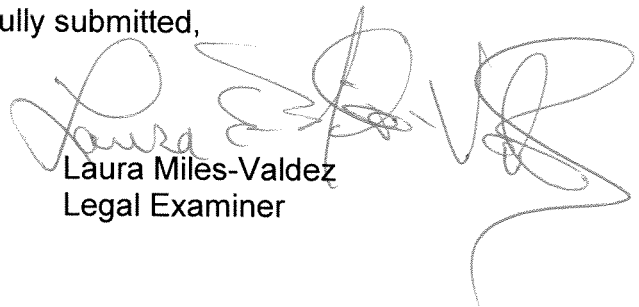
EXAMINERS' RECOMMENDATION

Based on the above findings of fact and conclusions of law, the examiners recommend that the Commission grant an exception to Statewide Rule 32 for the seventeen flare points listed in Attachment A, from April 1, 2014, through April 1, 2016, up to the maximum volumes listed on page 1 of Appendix A for each flare point as requested by Comstock Oil & Gas, LP.

Respectfully submitted,



Karl Caldwell
Technical Examiner



Laura Miles-Valdez
Legal Examiner

ATTACHMENT A
OIL AND GAS DOCKET NO. 01-0288781
FLARE POINT LOCATIONS
COMSTOCK OIL & GAS, LP
EAGLEVILLE (EAGLE FORD-1) FIELD
LA SALLE AND MCMULLEN COUNTIES, TEXAS

Flare Point	Flare Point Location (Lat., Long.)	Lease ID or Commingling Permit No.	Tank Battery	Maximum Daily Flare Volume (Mcf)	H2S (ppm)
#1	28° 34' 54.24", 98° 47' 46.52"	01-5399	Carlson/Donnell	520	400
#2	28° 34' 54.69", 98° 47' 46.50"	01-5399	Carlson/Donnell	290	400
#3	28° 36' 45.27", 98° 49' 16.80"	01-5435	Cortez	650	200
#4	28° 37' 50.24", 98° 47' 32.07"	01-5597	Cortez North	1,210	400
#5	28° 36' 8.97", 98° 31' 52.09"	01-15518	Cutter Creek	2,080	22,000
#6	28° 36' 5.72", 98° 31' 52.27"	01-15518	Cutter Creek	1,300	22,000
#7	28° 25' 28.10", 98° 36' 09.73"	01-5571	Forrest Wheeler	265	2,800
#8	28° 24' 09.66", 98° 36' 50.93"	01-5652	Forrest Wheeler South	4,500	100
#9	28° 29' 57.12", 98° 33' 39.11"	01-5539	Gloria Wheeler	5,330	1,000
#10	28° 29' 57.48", 98° 33' 47.50"	01-5539	Gloria Wheeler	3,550	1,000
#11	28° 36' 28.24", 98° 32' 53.57"	01-15917	Haynes "A"	1,510	50,000
#12	28° 27' 27.94", 98° 35' 58.30"	01-5386	Hill	2,230	3,000
#13	28° 35' 27.96", 98° 47' 11.30"	01-5478	Hubberd	520	100
#14	28° 28' 57.77", 98° 38' 27.91"	01-5355	Rancho Tres Hijos	1,500	8,000
#15	28° 28' 53.44", 98° 38' 27.91"	01-5355	Rancho Tres Hijos	5,200	8,000
#16	28° 29' 50.22", 98° 34' 24.37"	01-15388	Swenson	2,780	19,500
#17	28° 28' 53.65", 98° 34' 2.53"	01-5673	Swenson South	2,150	9,400

Flare Pt #1
Carlson/Donnell T/B
Commingle Permit No. 5399

Lease Name	RRC ID	Daily Vol.
Carlson "A"	15398	80
Carlson "B"	15846	160
Carlson "C"	15994	70
Donnell "A"	15645	80
Donnell "B"	15847	70
Donnell "C"	15995	60
Total		520

Flare Pt #2
Carlson/Donnell T/B
Commingle Permit No. 5399

Lease Name	RRC ID	Daily Vol.
Carlson "A"	15398	80
Carlson "C"	15994	70
Donnell "A"	15645	80
Donnell "C"	15995	60
Total		290

Flare Pt #3
Cortez T/B
Commingle Permit No. 5435

Lease Name	RRC ID	Daily Vol.
Cortez "A"	15834	170
Cortez "B"	15832	200
Cortez "C"	16608	60
Cortez "D"	16610	220
Total		650

Flare Pt #4
Cortez North T/B
Commingle Permit No. 5597

Lease Name	RRC ID	Daily Vol.
Cortez "E"	16800	400
Cortez "F"	16804	730
Cortez "G"	16812	80
Total		1,210

Flare Pt #5
Cutter Creek T/B
Commingle Permit No. N/A

Lease Name	RRC ID	Daily Vol.
Cutter Creek	15518	2,080

Flare Pt #6
Cutter Creek T/B
Commingle Permit No. N/A

Lease Name	RRC ID	Daily Vol.
Cutter Creek	15518	1,300

Flare Pt #7
Forrest Wheeler T/B
Commingle Permit No. 5571

Lease Name	RRC ID	Daily Vol.
Forrest Wheeler	15520	15
Forrest Wheeler "A"	16678	100
Forrest Wheeler "B"	17204	150
Total		265

Flare Pt #8
Forrest Wheeler South T/B
Commingle Permit No. 5652

Lease Name	RRC ID	Daily Vol.
Forrest Wheeler "C"	16832	2,100
Forrest Wheeler "D"	17218	2,000
Forrest Wheeler "E"	17205	400
Total		4,500

Flare Pt #9
Gloria Wheeler T/B
Commingle Permit No. 5539

Lease Name	RRC ID	Daily Vol.
Gloria Wheeler "A"	15671	940
Gloria Wheeler "B"	15647	790
Gloria Wheeler "C"	16664	1,880
Gloria Wheeler "D"	16668	1,270
Gloria Wheeler "E"	16670	150
Swenson "A"	16787	300
Total		5,330

Flare Pt #10
Gloria Wheeler T/B
Commingle Permit No. 5539

Lease Name	RRC ID	Daily Vol.
Gloria Wheeler "E"	16670	750
Gloria Wheeler "F"	NA	300
Swenson "A"	16787	2,500
Total		3,550

Flare Pt #11
Haynes "A" T/B
Commingle Permit No. N/A

Lease Name	RRC ID	Daily Vol.
Haynes "A"	15917	1,510

Flare Pt #12
Hill T/B
Commingle Permit No. 5386

Lease Name	RRC ID	Daily Vol.
Hill	15551	550
Hill "A"	15610	260
Hill "B"	15605	920
Hill SA	NA	500
Total		2,230

Flare Pt #13
Hubberd T/B
Commingle Permit No. 5478

Lease Name	RRC ID	Daily Vol.
Hubberd	16026	470
Hubberd "A"	16016	50
Total		520

Flare Pt #14
Rancho Tres Hijos T/B
Commingle Permit No. 5355

Lease Name	RRC ID	Daily Vol.
Rancho Tres Hijos	15386	950
Rancho Tres Hijos "A"	15540	200
Rancho Tres Hijos "B"	16558	350
Total		1,500

Flare Pt #15
Rancho Tres Hijos T/B
Commingle Permit No. 5355

Lease Name	RRC ID	Daily Vol.
Rancho Tres Hijos	15386	2,500
Rancho Tres Hijos "B"	16558	2,700
Total		5,200

Flare Pt #16
Swenson T/B
Commingle Permit No. N/A

Lease Name	RRC ID	Daily Vol.
Swenson	15388	2,780

Flare Pt #17
Swenson South T/B
Commingle Permit No. 5673

Lease Name	RRC ID	Daily Vol.
Swenson "B"	16966	700
Swenson "C"	16108	1,450
Total		2,150

ATTACHMENT B
CURRENT STATUS
STATEWIDE RULE 32 EXCEPTIONS
BY FLARE POINT LOCATION
COMSTOCK OIL & GAS, LP
EAGLEVILLE (EAGLE FORD-1) FIELD
LA SALLE AND MCMULLEN COUNTIES, TEXAS

Flare Point	Tank Battery	Lease/Commingling Permit No.	Flare Permit No.	Time Period (Days)	Expiration Date	Flaring Volume (MCFD)
#1	Carlson/Donnell	01-5399	16652	45	5/16/14	520
#2	Carlson/Donnell	01-5399	16653	45	5/16/14	1,410
#3	Cortez	01-5435	16525	45	5/16/14	650
#4	Cortez North	01-5597	16524	45	5/16/14	1,220
#5	Cutter Creek	01-15518	16650	45	5/16/14	2,080
#6	Cutter Creek	01-15518	16651	45	5/16/14	1,300
#7	Forrest Wheeler	01-5571	16657	45	5/16/14	265
#8	Forrest Wheeler South	01-5652	16656	45	5/16/14	4,500
#9	Gloria Wheeler	01-5539	16526	45	5/16/14	5,330
#10	Gloria Wheeler	01-5539	Pending	-	-	3,550
#11	Haynes "A"	01-15917	16522	45	5/16/14	1,510
#12	Hill	01-5386	16529	45	5/16/14	2,230
#13	Hubberd	01-5478	16523	45	5/16/14	520
#14	Rancho Tres Hijos	01-5355	16654	45	5/16/14	1,500
#15	Rancho Tres Hijos	01-5355	16655	45	5/16/14	5,200
#16	Swenson	01-15388	16527	45	5/16/14	2,780
#17	Swenson South	01-5673	16528	45	5/16/14	2,150