RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 04-0294042 IN THE WILLAMAR, WILLAMAR WEST, WILLAMAR WEST (MIOCENE 4700), AND WILLAMAR WEST (MIOCENE 5200) FIELDS WILLACY COUNTY, TEXAS

FINAL ORDER APPROVING THE APPLICATION OF CITATION OIL & GAS CORPORATION FOR EXCEPTION TO STATEWIDE RULE 32 FOR THE WILLAMAR GAS PLANT WILLAMAR, WILLAMAR WEST, WILLAMAR WEST (MIOCENE 4700), AND WILLAMAR WEST (MIOCENE 5200) FIELDS WILLACY COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on January 22, 2015, 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; that the proposed application is in compliance with all statutory requirements; and that 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 proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said 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 Citation Oil & Gas Corporation is hereby granted an exception to Statewide Rule 32 for the Willamar Gas Plant in the Willamar, Willamar West, Willamar West (Miocene 4700), and Willamar West (Miocene 5200) Fields, Willacy County, Texas. Citation Oil & Gas Corporation is authorized to flare a maximum volume of 506 mcfd of casinghead gas from the Willamar Gas Plant from November 28, 2014 through December 30, 2014. 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 each well.

Done this 24th day of March, 2015.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated March 24, 2015)