



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 08-0298324**

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**THE APPLICATION OF CONOCOPHILLIPS COMPANY, LP, FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS TANK BATTERIES ON THE CHALK E (41219) LEASE, CHALK G (41220) LEASE, CHALK MARY (41221) LEASE, CHALK NORTH (41243) LEASE, CHALK SOUTH (41216) LEASE, DOUTHIT (41225) LEASE, KELLY ROBERTS (41244) AND (32327) LEASES, REED (41247) LEASE AND CHALK SEC. 95 (30848) LEASE, IN THE HOWARD GLASSCOCK (CONSOLIDATED) AND HOWARD GLASSCOCK (WOLFCAMP 7400) FIELDS, HOWARD COUNTY, TEXAS.**

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**HEARD BY:** Richard Eyster, P.G. - Technical Examiner  
Laura Miles-Valdez - Hearings Examiner

**DATE OF HEARING:** November 05, 2015

**CONFERENCE DATE:** January 12, 2015

**APPEARANCES:**

Jamie Nielson, Attorney  
Earl Anderson  
Judith Clifford  
Cristina Mickens

**REPRESENTING:**

Conoco Phillips Company

**EXAMINERS' REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Pursuant to Statewide Rule 32 (16 Tex. Admin. Code § 3.32) ConocoPhillips Company ("ConocoPhillips") requests a permanent exception to flare casing head gas from tank batteries on ten leases in the Howard Glasscock (Consolidated) and Howard Glasscock (Wolfcamp (7400) Fields in Howard County, Texas. The tank batteries are on ten leases: the Chalk E (41219), Chalk G (41220), Chalk Mary (41221), Chalk North (41243), Chalk South (41216), Douthit (41225), Kelly Roberts (41244) and (32327), Reed (41247) and Chalk Sec. 95 (30848) Leases.

The leases produce gas with a high concentration of H<sub>2</sub>S (3.5%). ConocoPhillips is currently connected to a Sour Gas Sweetening and Injection Facility by pipeline to remove the H<sub>2</sub>S from the gas stream and dispose of it in an Acid Gas Injection well, then selling the remaining sweet gas. In

the hearing ConocoPhillips stated that the Sour Gas Sweetening and Injection Facility is currently unable to process the sour gas due to mechanical issues with their acid gas injection well. The Applicant stated in the hearing that flaring will also be needed during scheduled plant maintenance and upsets. If the flaring authority is not granted the Applicant said they will have to shut in the wells and not be able to produce the oil and gas from the wells.

### **DISCUSSION OF THE EVIDENCE**

ConocoPhillips was granted authority to flare 1,525 MCFD for a period of one year from October 14, 2014 to October 14, 2015 by Commission Final Order 01-0292681. ConocoPhillips request for a hearing in this matter was dated September 23, 2015, at least 21 days prior to the expiration of their flaring permit, as required by Commission Statewide Rule 32(I). Commission Statewide Rule 31(h)(4) requires that requests for flaring exception more than 180 days and for volumes more than 50 MCFD shall be granted only by Final Order signed by the Commissioners.

ConocoPhillips is requesting the Commission grant it permanent flaring authority. However, the Applicant stated at the hearing that ConocoPhillips would not consider a two year flaring authorization to be adverse. ConocoPhillips requests the Commission grant it authority to flare from October 14, 2015 through October 14, 2017, a period of two years, with authority to flare 2,000 MCFD of casing head gas for the ten leases. The requested increase in volume is due to additional development in the Fields.

The application was not protested. The Examiners recommend the application of ConocoPhillips for flaring authority for the ten leases be granted for the requested period of two years beginning on October 14, 2015 for the requested volume of 2,000 MCFD.

### **FINDINGS OF FACT**

1. Proper notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing. There were no protests to the application.
2. The tank batteries subject to this application operated by ConocoPhillips Company are on ten leases: the Chalk E (41219), Chalk G (41220), Chalk Mary (41221), Chalk North (41243), Chalk South (41216), Douthit (41225), Kelly Roberts (41244) and (32327), Reed (41247) and Chalk Sec. 95 (30848) Leases.
3. The ten leases, under Final Order No. 01-0292681, were granted authority to flare 1,525 MCFD for a period of one year, from October 14, 2014 to October 14, 2015.
4. On September 23, 2015, ConocoPhillips requested a hearing to extend flaring authority for the ten leases, within the 21 day period for filing for an

extension to flaring authority.

5. ConocoPhillips has constructed a Sour Gas Sweetening Facility and Acid Gas Injection Well on site to remove the H<sub>2</sub>S from the produced casing head gas on the ten leases.
6. During repairs and routine maintenance at the Sour Gas Sweetening Facility and Acid Gas Injection Well, ConocoPhillips wishes to continue flaring the subject tank batteries and leases in the collective amount of 2,000 MCFD for a period of two years.

**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 up to 2,000 cubic feet per day of casing-head gas satisfies the requirements of Title 16, Texas Administrative Code §3.32.

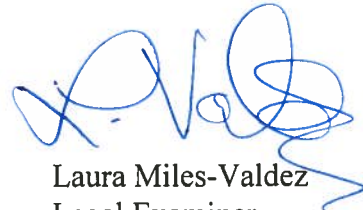
**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend ConocoPhillips Company be granted authority to flare up to 2,000 MCF of casing head gas per day from the ten subject tank batteries on the ten subject leases for a period of two years from October 14, 2015 to October 14, 2017.



Richard Eyster, P.G.  
Technical Examiner

Respectfully submitted,



Laura Miles-Valdez  
Legal Examiner