RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 08-0300686

IN THE MCGILLICUTTY (BRUSHY CANYON), SANDBAR (BONE SPRING), TWO GEORGES (BONE SPRING) AND PHANTOM (WOLFCAMP) FIELDS, LOVING COUNTY, TEXAS

FINAL ORDER

GRANTING THE APPLICATION OF MATADOR PRODUCTION COMPANY
FOR AN EXCEPTION TO STATEWIDE RULE 32 TO FLARE GAS
FROM THE JACKSON TRUST TB, JACKSON TRUST C 12-TTT-C24 NL LEASE,
COMMINGLE PERMIT NUMBER 7418,
MCGILLICUTTY (BRUSHY CANYON), SANDBAR (BONE SPRING), TWO GEORGES (BONE
SPRING) AND PHANTOM (WOLFCAMP) FIELDS,
LOVING COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on July 21, 2016, 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 recommendation, the findings of fact and conclusions of law contained therein, 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 Matador Production Company is hereby granted an exception to Statewide Rule 32 for its Jackson Trust TB, Jackson Trust C 12-TTT-C24 NL Lease, Commingle Permit Number 7418, in the McGillicutty (Brushy Canyon), Sandbar (Bone Spring), Two Georges (Bone Spring) and Phantom (Wolfcamp) Fields, Loving County, Texas. Matador Production Company is hereby authorized (Permit No. 26993) to flare up to 1.4 million cubic feet (mmcf) of gas per day from the Jackson Trust TB from June 15, 2016 to June 14, 2018.

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 the facility.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is

granted, this order shall be subject to further action by the Commission. Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date Commission Order is signed.

Done this 27th day of September, 2016.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated September 27, 2016)