RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0301161

IN THE PHANTOM (WOLFCAMP) FIELD, LOVING COUNTY, TEXAS

FINAL ORDER APPROVING THE APPLICATION OF TEMA OIL AND GAS COMPANY FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE KYLE 24 LEASE TANK BATTERY, PHANTOM (WOLFCAMP) FIELD, LOVING COUNTY, TEXAS,

The Commission finds that after statutory notice in the above-numbered docket heard on September 14, 2016, the presiding Technical Examiner and Administrative Law Judge (collectively "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, 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 Tema Oil and Gas Company is hereby granted an exception to Statewide Rule 32 for the Kyle 24 Lease Tank Battery (Lease No. 08-47683), to flare a maximum volume of 3,000 MCF per day, commencing August 16, 2016, and expiring August 15, 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.

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

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Done this 25th day of October, 2016.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated October 25, 2016)