

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 7C-0298167**

**IN THE HOLT RANCH
(CONSOLIDATED) FIELD,
CROCKETT COUNTY, TEXAS**

**FINAL ORDER
GRANTING THE APPLICATION OF APPROACH OPERATING LLC
PURSUANT TO STATEWIDE RULE 9 FOR A PERMIT TO DISPOSE
OF OIL AND GAS WASTE BY INJECTION INTO A POROUS FORMATION
NOT PRODUCTIVE OF OIL AND GAS,
BAKER B LEASE, WELL NO. 110,
HOLT RANCH (CONSOLIDATED) FIELD,
CROCKETT COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on November 12, 2015, the presiding Technical Examiner and Administrative Law Judge ("Examiners") have made and filed a proposal for decision containing findings of fact and conclusions of law, for which service was 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 a conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the Examiners' proposal for decision and 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 the application of Approach Operating LLC, pursuant to Statewide Rule 9 for a permit to dispose of oil and gas waste by injection into a porous formation not productive of oil or gas, Baker B Lease, Well No. 110, Holt (Consolidated) Field, Crockett County, Texas, is hereby **GRANTED** in accordance with the attached permit.

Each exception to the Examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

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 15 day of November, 2016.

RAILROAD COMMISSION OF TEXAS


CHAIRMAN DAVID PORTER


COMMISSIONER CHRISTI CRADDICK


COMMISSIONER RYAN SITTON

ATTEST:


SECRETARY



**PERMIT TO DISPOSE OF NON-HAZARDOUS OIL AND GAS WASTE BY INJECTION INTO A
POROUS FORMATION NOT PRODUCTIVE OF OIL AND GAS**

PERMIT NO. 15336

APPROACH OPERATING LLC
ONE RIDGMAR CENTRE
6500 WEST FREEWAY SUITE 800
FORT WORTH TX 76116

Authority is granted to inject Non-Hazardous Oil and Gas waste into the well identified herein in accordance with Statewide Rule 9 of the Railroad Commission of Texas and based on information contained in the application (Form W-14) dated August 03, 2015 for the permitted interval of the CLEAR FORK formation and subject to the following terms and special conditions:

BAKER "B" (17263) LEASE
HOLT RANCH (CONSOLIDATED) FIELD
CROCKETT COUNTY
DISTRICT 7C

WELL IDENTIFICATION AND PERMIT PARAMETERS:

Well No.	API No.	UIC Number	Permitted Fluids	Top Interval (feet)	Bottom Interval (feet)	Maximum Liquid Daily Injection Volume (BBL/day)	Maximum Gas Daily Injection Volume (MCF/day)	Maximum Surface Injection Pressure for Liquid (PSIG)	Maximum Surface Injection Pressure for Gas (PSIG)
110	10541375		Salt Water, and Other Non-Hazardous O/G Waste	2700	3140	10000		1350	

SPECIAL CONDITIONS:

Well No.	API No.	Special Conditions
110	10541375	1. A bridge plug must be set below the injection interval at a depth of 3240 feet with 20 feet of cement on top. A copy of Form W-15 Cementing Report must be filed with the initial Form H-5 Injection Well Pressure Test Report documenting compliance with this Special Condition.
101X	10541055	2. The operator will perform a cement squeeze operation on the Baker B Lease Well No. 101X to fill the annulus behind the long-string (5 ½-inch) casing from a depth of 3,500 feet to the ground surface.

STANDARD CONDITIONS:

1. Injection must be through tubing set on a packer. The packer must be set no higher than 100 feet above the top of the permitted interval.
2. The District Office must be notified 48 hours prior to:
 - a. running tubing and setting packer;
 - b. beginning any work over or remedial operation;
 - c. conducting any required pressure tests or surveys.
3. The wellhead must be equipped with a pressure observation valve on the tubing and for each annulus.
4. Prior to beginning injection and subsequently after any work over, an annulus pressure test must be performed. The test pressure must equal the maximum authorized injection pressure or 500 psig, whichever is less, but must be at least 200 psig. The test must be performed and the results submitted in accordance with the instructions of Form H-5.
5. The injection pressure and injection volume must be monitored at least monthly and reported annually on Form H-10 to the Commission's Austin office.
6. Within 30 days after completion, conversion to disposal, or any work over which results in a change in well completion, a new Form W-2 or G-1 must be filed to show the current completion status of the well. The date of the disposal well permit and the permit number must be included on the new Form W-2 or G-1.
7. Written notice of intent to transfer the permit to another operator by filing Form P-4 must be submitted to the Commission at least 15 days prior to the date of the transfer.
8. This permit will expire when the Form W-3, Plugging Record, is filed with the Commission. Furthermore, permits issued for wells to be drilled will expire three (3) years from the date of the permit unless drilling operations have commenced.

Provided further that, should it be determined that such injection fluid is not confined to the approved interval, then the permission given herein is suspended and the disposal operation must be stopped until the fluid migration from such interval is eliminated. Failure to comply with all of the conditions of this permit may result in the operator being referred to enforcement to consider assessment of administrative penalties and/or the cancellation of the permit.

Permit granted pursuant to the Commission's Final Order in Oil & Gas Docket No. 7C-0298167.