

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 08-0300958**

**IN THE SANDBAR (BONE
SPRING), GRICE (WOLFCAMP),
AND PHANTOM (WOLFCAMP)
FIELDS, LOVING COUNTY, TEXAS**

**FINAL ORDER
GRANTING THE APPLICATION OF TEMA OIL AND GAS COMPANY
FOR AN EXCEPTION TO 16 TAC §3.32 FOR THE
SID M. KYLE 26 EAST TANK BATTERY, SID M. KYLE 26 WEST TANK BATTERY,
AND Z&T 42 TANK BATTERY IN THE SANDBAR (BONE SPRING),
GRICE (WOLFCAMP), AND PHANTOM (WOLFCAMP) FIELDS,
LOVING COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on August 26, 2016, the Technical Examiner and Administrative Law Judge (collectively referred to as "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 a conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the Examiners' report and recommendation 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 the 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 Sid M. Kyle 26 East Tank Battery, Sid M. Kyle 26 West Tank Battery, and the Z&T 42 Tank Battery in the Sandbar (Bone Spring), Grice (Wolfcamp), and Phantom (Wolfcamp) Fields, Loving County, Texas. TEMA Oil and Gas Company is hereby authorized as follows:

1. To flare (Permit No. 27663) up to one million, six hundred thousand cubic feet of gas per day (1.6 MMCF/D) from the Sid M. Kyle 26 East Tank Battery from August 8, 2016, through July 8, 2018;

2. To flare (Permit No. 27664) up to two million, one hundred thousand cubic feet of gas per day (2.1 MMCF/D) from the Sid M. Kyle 26 West Tank Battery from August 8, 2016, through July 8, 2018; and
3. To flare (Permit No. 27665) up to two million, nine hundred thousand cubic feet of gas per day (2.9 MMCF/D) from the Z&T 42 Tank Battery from July 9, 2016, through July 8, 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 6th day of December, 2016.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotested Master
Order dated December 6, 2016)**