RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0299194 IN THE PHANTOM (WOLFCAMP) FIELD, LOVING, CULBERSON AND REEVES COUNTIES TEXAS

FINAL ORDER APPROVING THE APPLICATION OF BHP BILLITON PET (TXLA OP) CO FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS FACILITIES, PHANTOM (WOLFCAMP) FIELD, LOVING, CULBERSON AND REEVES COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on April 1, 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 proposal for decision, 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 BHP BILLITON PET (TXLA OP) CO is hereby granted an exception to Statewide Rule 32 for the following flare points in the Phantom (Wolfcamp) Field in Loving, Culberson and Reeves Counties, Texas.

- BHP BILLITON PET (TXLA OP) CO is authorized to flare a maximum monthly volume of 30,000 Mcf of gas per month for the Darcy State 56-T3-22, Well No. 1H (ID No. 278241, Flare Permit No. 23168) from February 5, 2016, to August 5, 2017.
- BHP BILLITON PET (TXLA OP) CO is authorized to flare a maximum monthly volume of 9,600 Mcf of gas per month for the Scythian Empire 57-T1-41X44, Well No. 1H (ID No. 279200, Flare Permit No. 24967) from January 5, 2016, to August 1, 2017.
- BHP BILLITON PET (TXLA OP) CO is authorized to flare a maximum monthly volume of 41,450 Mcf of gas per month for the State Chevyhalftun 56-T2-10X15, Well No. 1H (ID No. 278915, Flare Permit No. 24970) from February 4, 2016, to August 4, 2017.

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BHP BILLITON PET (TXLA OP) CO is authorized to flare a maximum monthly volume of 5,050 Mcf of gas per month for the State Keasler 57-T3-18, Well No. 1H (ID No. 278914, Flare Permit No. 24968) from January 26, 2016, to August 1, 2017.

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 each flare point.

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 24th day of January, 2017.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated January 24, 2017)