RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0301367 IN THE PHANTOM (WOLFCAMP), FORD, WEST (WOLFCAMP), AND SANDBAR (BONE SPRINGS) FIELDS, REEVES, CULBERSON AND LOVING COUNTIES, TEXAS

FINAL ORDER
APPROVING THE APPLICATION OF
BHP BILLITON PET. CO. FOR AN EXCEPTION TO
STATEWIDE RULE 32 FOR VARIOUS FACILITIES,
PHANTOM (WOLFCAMP), FORD, WEST (WOLFCAMP),
AND SANDBAR (BONE SPRINGS) FIELDS, REEVES,
CULBERSON AND LOVING COUNTIES, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on September 26, 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, and 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. Co. is hereby granted an exception to Statewide Rule 32 for the flare points listed in Attachment A. BHP Billiton Pet. Co. is authorized to flare up to the maximum monthly volume as listed in Attachment A, effective August 1, 2016 to January 31, 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 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 14th day of February, 2017.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated February 14, 2017) Attachment A: Oil and Gas Docket No. 08-0301367: BHP Billiton Pet. Co. Statewide Rule 32 Information (effective August 1, 2016 to January 31, 2018).

RRC Docket 08-0301367					
SWR-	Plant/Lease Name	Well No	RRC ID#	P-17	Maximum
32	(as listed on SWR-32		(for all	Permit	Flare
Permit	Permit)		wells	(if	Volume
No.			behind	applicable)	(Mcf/month)
			flare point)		
20929	Alexander 58-T2-12	1H	277813		24,000
21460	Fraser 57-T1-39	1H	277812		6,400
			278549 &		
20939	MDJ Minerals 58-T2-22	1H,2H,3H,&4H	Pending	Note 1*	148,900
20945	State Pogo 57-T2-4	1H	278216		18,200

^{*} Note 1: Numbers 2H, 3H & 4H not yet producing. BHP expects to complete #2H 12/16; #3H expected 4/17; #4H expected 5/17. P-17 will be obtained after #2H completion.