



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL & GAS DOCKET NO. 01-0302391**

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**THE APPLICATION OF CABOT OIL & GAS CORPORATION FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE SPEAR POINT LEASE, WELL NO. 1H, BRISCOE RANCH (EAGLEFORD) FIELD, FRIO COUNTY, TEXAS.**

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**HEARD BY:** Richard Eyster, P. G. – Technical Examiner  
Jennifer Cook – Administrative Law Judge

**HEARING DATE:** December 21, 2016

**CONFERENCE DATE:** February 14, 2017

**APPEARANCES:**

Dale Miller Cabot Oil & Gas Corporation  
Kimberly A. Dillard

**EXAMINERS' REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Cabot Oil & Gas Corporation ("Cabot") seeks an exception to Statewide Rule 32 (16 Tex. Admin. Code §3.32) to flare casinghead gas from the Spear Point Lease, Well No. 1H, Briscoe Ranch (Eagleford) Field, Frio County, Texas. All persons entitled to notice received notice of the hearing. The application is not protested.

The Technical Examiner and the Administrative Law Judge, (collectively the "Examiners") recommend the application be approved.

**DISCUSSION OF THE EVIDENCE**

Cabot Oil & Gas Corporation ("Cabot") seeks an exception to Statewide Rule 32 (16 Tex. Admin. Code §3.32) to flare casinghead gas from the Spear Point Lease, Well

No. 1H, Briscoe Ranch (Eagleford) Field, Frio County, Texas. Cabot applied for and received administrative Permit, (Permit No. 27192) to flare a maximum volume of 180 mcf/d for a period of 180 days. Cabot is now requesting a one-year exception to flare up to 180 thousand cubic feet (MCF) of casinghead gas per day (MCF/D) from The Spear Point Lease, Well No. 1H, (Well), effective 12/03/2016 through 12/02/2017. Cabot is requesting the exception due to the current lack of an economical pipeline connection. The closest pipeline to the Spear Point well is the Frio LaSalle Pipeline located 1.5 miles from the Spear Point Well. Cabot stated that they are planning to bring seven more horizontal wells on line from the Kothman Ranch Facility within one year. Once Cabot brings the gas from seven Kothman Ranch wells along with gas from the Spear Point well it will be economical for Cabot to construct a 1.5 mile pipeline to the Frio Lasalle Pipeline.

### **FINDINGS OF FACT**

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing.
2. The subject well in this application is completed in the Briscoe Ranch (Eagle Ford) Field, in Frio County, Texas
3. An operator is considered temporarily compliant with Statewide Rule 32 until final Commission action on the hearing application if it has requested a hearing prior to the expiration of a Commission granted flare permit order.
4. Cabot received a 180 day administrative permit (Permit No. 27192).
5. Cabot has requested a hearing for the wells 21 days before the administrative flare permit expired for the Spear Point Lease, Well No. 1H.
6. Cabot is requesting a one-year exception to flare up to 180 thousand cubic (MCF) of gas per day (MCF/D) from the Spear Point Lease, Well No. 1H.
7. Cabot applied for a hearing to extend the flaring authority more than 21 days before the administrative permits expired.
8. It is currently uneconomical for Cabot to build 1.5 miles of pipeline.

### **CONCLUSIONS OF LAW**

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051.
2. All notice requirements have been satisfied. 16 Tex. Admin. Code §§ 1.43 and 1.45.

3. Cabot has met the requirements in 16 Tex. Admin. Code § 3.32 for an exception to the limitations in that section regarding the requested authority to flare gas produced from the wells connected to the subject flare points.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend the Commission enter an order granting the application to flare 180 mcf/day of casinghead gas from the Spear Point Lease, Well No. 1H, Briscoe Ranch (Eagleford) Field, Frio County, Texas as requested by Cabot Oil & Gas Corporation.

Respectfully submitted,



Richard Eyster, P. G.  
Technical Examiner



Jennifer Cook  
Administrative Law Judge