

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL & GAS DOCKET NO.
01-0303538**

**FINAL ORDER
THE APPLICATION OF CML EXPLORATION, LLC
TO CONSIDER A SOUR GAS PIPELINE
PURSUANT TO STATEWIDE RULE 106
ZAVALA AMINE PLANT
PENA CREEK FIELD
ZAVALA AND DIMMIT COUNTIES, TEXAS**

The Commission finds that after notice and opportunity for hearing, the above-numbered docketed application meets the requirements of Statewide Rule 106 (16 Tex. Admin. Code §3.106 Sour Gas Pipeline Construction Permit.) The proceedings having been duly submitted to the Railroad Commission of Texas at conference held in its office in Austin, Texas, the Commission makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. CML Exploration, LLC ("CML") filed an application pursuant to Statewide Rule 106 with the Railroad Commission's Oil and Gas Division in Austin, Texas on January 30, 2017, to construct and operate a pipeline ("Pipeline") that will transport gas consisting, in part, of hydrogen-sulfide ("H₂S") in concentrations greater than 100 parts per million ("ppm") at its Zavala Amine Plant in Zavala and Dimmit Counties, Texas ("Application").
2. Notice of the Application was published in *The Carrizo Springs Javelin*, a newspaper of general circulation in Zavala and Dimmit Counties, Texas, on January 18, 2017.
3. A copy of the Application was filed with the Zavala County Clerk and the Dimmit County Clerk on January 17, 2017.
4. The Application is unopposed.
5. The Pipeline is proposed to be constructed, and it will be approximately 6.1 miles in length and 4-inches in diameter.
6. The Pipeline will gather gas from wells in the area, and it will deliver that gas to CML's Zavala Amine Plant for processing.

7. The Pipeline's maximum escape volume as 2,500,000 cubic feet of gas ("2,500 MCF").
8. The Pipeline's maximum H₂S is 550 ppm.
9. The 100 ppm radius of exposure ("ROE") is 123 feet, and the 500 ppm ROE is 56 feet.
10. There are no public areas within the 100 ppm and 500 ppm ROEs, except a county road.
11. CML identified two roads, Tortuga Ranch Road and Miller Road, in the area relatively near the Pipeline.
12. The Pipeline's maximum operating pressure will be 1,000 pounds per square inch gauge.
13. The pipeline will be constructed of API 5L steel pipe, which has been accepted for sour service and meets the pipeline safety specifications in 49 CFR Part 192 Appendix B, and as adopted by 16 Tex. Admin. Code § 8.
14. The Contingency Plan and H-9 Form comply with Statewide Rule 36.
15. The materials to be used in and methods of construction and operation of the facility comply with the applicable rules and safety standards adopted by the Commission.
16. The Pipeline Safety Division has reviewed the application and has received the T-4 (Application for Permit to Operate a Pipeline in Texas) and all required documentation to process an initial or amended permit for the requested pipeline.
17. The Field Operations Section has reviewed the Form H-9 (Certificate of Compliance Statewide Rule 36), contingency plan, and supporting data for the subject sour gas pipeline and determined that the proposal complies with the applicable provisions of SWR 36 regarding materials and operation.
18. By letter received by the Hearings Division on March 14, 2017, the applicant requested for the record that a Final Order in this case is to be effective when the Master Order is signed.

CONCLUSIONS OF LAW

1. Resolution of the 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 § 3.106.
3. The Application meets the requirements of Statewide Rules 36, 70, and 106. 16 Tex. Admin. Code §§ 3.36, 3.70 and 3.106.
4. Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and the agreement of the applicant, this Final Order is effective when a Master Order relating to this Final Order is signed on April 25, 2017.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of CML Exploration, LLC for Commission authority, pursuant to Statewide Rule 106, to construct a sour gas pipeline facility, the Zavala Amine Plant, 4-inch pipeline, in Zavala and Dimmit Counties, Texas is hereby approved. CML Exploration, LLC shall comply with all applicable rules and safety standards adopted by the Commission for the construction and operation of hydrogen sulfide gas pipelines.

Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and the agreement of the applicant, this Final Order is effective when a Master Order relating to this Final Order is signed.

Done this 25th day of April, 2017.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Divisions' Unprotested Master
Order dated April 25, 2017)**