

OIL AND GAS DOCKET NO. 01-0302563

Commission. SN received administrative authority (Permit No. 27013) to flare a maximum of 1,000 Mcfd of casinghead gas from May 18, 2016 to August 16, 2016 and authority to flare up to 200 Mcfd from August 16, 2016 through November 15, 2016. SN filed a hearing request for an exception to Statewide Rule 32 on November 14, 2016, prior to the expiration of the administrative permit.

The pipeline connection for the subject wells was completed on March 2, 2017. After March 2, 2017 production from the subject wells went to the pipeline. Prior to the pipeline connection, gas from the wells was flared. The most recent administrative flaring permit was set to expire on November 15, 2016. Under the administrative flaring permits, the amount of gas flared by the subject wells through November 15, 2016 was 61,828 Mcf. From November 16, 2016, up until the wells were connected to the pipeline on March 2, 2017, 45,389 Mcf of gas was flared. SN is requesting flaring authority from the date the previous flare permit was set to expire until the wells were connected to a pipeline on March 2, 2017, a total volume of 45,389 Mcf.

FINDINGS OF FACT

1. Proper notice of this hearing was given to offset operators at least ten days prior to the date of hearing. There were no protests to the application.
2. SN received administrative authority (Permit No. 27013) to flare a maximum of 1,000 Mcfd of casinghead gas from May 18, 2016, to August 16, 2016, and authority to flare up to 200 Mcfd from August 16, 2016, through November 15, 2016.
3. SN filed a hearing request for an exception to Statewide Rule 32 on November 14, 2016, prior to the expiration of the administrative permit.
4. SN Operating, LLC ("SN") seeks an exception to Statewide Rule 32 for the Nelson Lease, Well Nos. 1H & 2H, Dimmit County, Texas to flare a maximum cumulative volume of 45,389 Mcf of casinghead gas from November 16, 2016 through March 2, 2017.
5. The pipeline connection for the subject wells was completed on March 2, 2017. After March 2, 2017 production from the subject wells went to the pipeline and was no longer flared.

CONCLUSIONS OF LAW

1. Proper notice was issued as required by all applicable statutes and regulatory codes.

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2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. Title 16, Texas Administrative Code 3.32(h) provides for an exception to Statewide Rule 32.

EXAMINERS' RECOMMENDATION

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission grant an exception to Statewide Rule 32 for the Nelson Lease, Well Nos. 1H & 2H to flare a maximum cumulative volume of 45,389 Mcf of casinghead gas from November 16, 2016 through March 2, 2017 as requested by SN.

Respectfully submitted,



Karl Caldwell
Technical Examiner



Clayton Hoover
Administrative Law Judge