CHRISTI CRADDICK, CHAIRMAN RYAN SITTON, COMMISSIONER WAYNE CHRISTIAN, COMMISSIONER



# RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 01-0304624

THE APPLICATION OF CHESAPEAKE OPERATING, LLC FOR EXCEPTIONS TO STATEWIDE RULE 32 TO FLARE GAS FROM THE ROGERS H PAD (15428) LEASE, BRISCOE RANCH (EAGLEFORD) FIELD, DIMMIT COUNTY, TEXAS

**HEARD BY:** 

Richard Eyster, P. G. – Technical Examiner

Clayton J. Hoover — Administrative Law Judge

**HEARING DATE:** 

July 19, 2017

**CONFERENCE DATE:** 

August 15, 2017

APPEARANCES:

Bill Spencer Jim Clark

Chesapeake Operating, LLC

# **EXAMINERS' REPORT AND RECOMMENDATION**

#### STATEMENT OF THE CASE

Chesapeake Operating, LLC (Chesapeake) seeks exceptions to Statewide Rule 32 (16 Tex. Admin. Code §3.32) to flare gas from the Rogers H Pad (15428) Lease, Briscoe Ranch (Eagleford) Field, Dimmit County, Texas. Chesapeake seeks authority to flare 27,175 mcf from May 3, 2017 through May 12, 2017. The application is not protested and the Technical Examiner and the Administrative Law Judge (collectively the Examiners) recommend the exception be granted.

# **DISCUSSION OF THE EVIDENCE**

There are three wells located on the Rogers H Pad. They are Well # HIH (API No. 127-36951), Well # H2H, (API No. 127-36952) and Well #H3H (API No.127-36953. The Rogers H Pad had an administrative permit (Permit No. 28200) allowing Chesapeake to flare 3,000 mcf/d for a period of 180 days from 11/01/2016 to 05/02/2017 while Chesapeake was waiting on a pipeline to be installed. On 03/13/2017 Chesapeake requested a hearing to obtain an exception by Final Order. Chesapeake seeks authority

to flare 27,175 mcf from May 3, 2017 through May 12, 2017. The three wells on the Rogers H Pad were expected to be connected to a pipeline prior to the expiration of the 180 day administrative permit. However, in March 2017 Chesapeake became aware that the pipeline would not be completed by the 05/02/2017 permit expiration date and timely applied for a hearing. The pipeline connection was completed on 05/13/2017 all gas is currently going to sales or lease use.

#### **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. Chesapeake is requesting authority to flare 27,175 mcf of casinghead gas from the Rogers H Pad from 05/02/2017 through 05/12/2017.
- 3. The Rogers H Pad had an administrative permit (Permit No. 28200) allowing Chesapeake to flare 3,000 mcf/d for a period of 180 days from 11/01/2016 to 05/02/2017
- 4. The three wells on Rogers H Pad are now connected to a gathering line.
- 5. Chesapeake applied for hearings to extend the flaring authority more than 21 days before the administrative permits expired.

## **CONCLUSIONS OF LAW**

- 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. Chesapeake Operating, LLC, 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 as requested by Chesapeake Operating, LLC.

Respectfully submitted,

Richard Eyster, P. G. Technical Examiner

Administrative Law Judge