RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0304421 IN THE PHANTOM (WOLFCAMP) FIELD, REEVES COUNTY, TEXAS

FINAL ORDER GRANTING THE APPLICATION OF RESOLUTE NATURAL RESOURCES CO., LLC FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR FLARE GAS PERMIT FOR THE STATE OATMAN (45354) LEASE, PHANTOM (WOLFCAMP) FIELD, REEVES COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on May 30, 2017, the Technical Examiner and Administrative Law Judge (collectively "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, 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 Resolute Natural Resources Co., LLC is hereby granted an exception to Statewide Rule 32 for the State Oatman (45354) Lease, Phantom (Wolfcamp) Field, Reeves County, Texas. Resolute Natural Resources Co., LLC is hereby authorized (Permit No. 26027) to flare up to 350 MCF of casinghead gas per day from March 30, 2017 through March 29, 2019.

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 the facility.

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 15th day of August 2017.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Division's Unprotested Master Order dated August 15, 2017)