

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 08-0308946: THE APPLICATION OF CAPITAN ENERGY, INCORPORATED FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS LEASES, VARIOUS WELLS, FORD, WEST (WOLFCAMP) FIELD, CULBERSON AND REEVES COUNTIES, TEXAS

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on March 6, 2018 the presiding 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, and 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 Capitan Energy, Incorporated is hereby granted an exception to Statewide Rule 32 for the flare points listed in Attachment A. Capitan Energy, Incorporated is authorized to flare up to the maximum daily volume for each flare point as listed in Attachment A, effective January 29, 2018 thru January 28, 2020.

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 each flare point.

Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and by agreement of the Parties in writing or on the record, **the parties have waived right to file a Motion for Rehearing and this Final Order is final and effective on the date the Master Order relating to the Final Order is signed.**

Done this 10th day of April 2018.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by Hearings Divisions' Unprotested
Master Order dated April 10, 2018)**

ATTACHMENT A

Map ID	Lease	API No.	Lease ID or Drilling Permit No.	Flare Permit No.	Flare Volume (Mcf/d)
1	Alice Fee 34 #1H	109-32887	279309	25549	200
2	Ava State 36 #2H	389-36322	830400 (DP)	32145	350
3	Cliff Fee 4 #1H	109-32900	279788	26579	550
4	Dale State #1	109-32351	266036	24961	100
5	Dorothy State 12 #1H	109-32767	277500	24958	200
6	Georgette State #2H	109-32700	277487	24951	100
7	J. S. Blair Fee 2 #1H	109-32874	279787	26580	600
8	J. S. Blair Fee 2 #3H	109-33143	828676 (DP)	31981	400
9	James Fee 6 #1H	109-32829	279288	24953	300
10	James Fee 6 #2H	109-33099	826128 (DP)	31263	450
11	Jess Fee 40 #1H	109-32842	279168	24314	300
12	Jess Fee 40 #2H	109-32913	280741	27040	200
13	Karen Fee 17 #1H	109-32801	277679	24952	100
14	Lauren State 30 #1H	109-32691	276194	24954	400
15	Mother Fee 28 #1H	109-32888	279887	25548	300
16	Pat Fee 4 #1H	109-32861	278966	25149	400
17	Pat Fee 4 #3H	109-33144	828665 (DP)	31982	250
18	Roxanne Fee 46 #1H	109-32886	279347	25147	100
19	Roxanne Fee 46 #2H	109-33111	826567 (DP)	31265	350
20	Rylan Fee 44 #1H	109-32755	277501	24956	100
21	Scott Fee 36 #1H	109-32637	276168	24955	350
22	Scott Fee 36 #2H	109-33163	829939 (DP)	31983	350
23	Shelly Fee 40 #1H	109-32877	279456	25148	150
24	State J. E. Liles 6 #1H	109-32869	279686	25150	350
25	State J. E. Liles 6 #2H	109-33100	826135 (DP)	31264	400
26	State Mattie 2 #1H	109-32894	279784	26356	100
27	State Mike 3 #1H	109-32897	279777	26355	100
28	Tyson Fee 44 #1H	109-32677	276158	24957	350
29	W A State #2H	109-32649	276149	24960	100
30	W A State #3H	109-32862	279156	24950	200
31	William Fee 32 #1H	109-32802	279059	24313	200