



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL & GAS DOCKET NO. 8A-0308811**

---

**THE APPLICATION OF WALSH PETROLEUM, INC. FOR AN EXCEPTION TO STATEWIDE RULE 32 TO FLARE CASINGHEAD GAS FROM THE SAWYER 576 LEASE, THE DAVIS 578 603 LEASE, AND THE THELMA NELSON LEASE, BRAHANEY FIELD, YOAKUM COUNTY, TEXAS**

---

**HEARD BY:** Richard Eyster, P. G. – Technical Examiner  
Clayton J. Hoover – Administrative Law Judge

**HEARING DATE:** March 6, 2018

**CONFERENCE DATE:** April 24, 2018

**APPEARANCES:**

Barry Hagermann

Walsh Petroleum, Inc.

**EXAMINERS' REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Walsh Petroleum, Inc. (Walsh) seeks an exception to Statewide Rule 32 (16 Tex. Admin. Code §3.32) to flare casinghead gas from the Sawyer 576 Lease, the Davis 578 603 Lease, and the Thelma Nelson Lease, Brahaney Field, Yoakum County, Texas at a rate of 500 mcf/d for a period of two years. 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**

Statewide Rule 32 governs the utilization of gas well gas and casinghead gas produced by oil and gas wells under the jurisdiction of the Railroad Commission.

The casinghead gas from the lease is under contract for delivery to a gas gathering system operated by Targa Midstream Service, LLC. Due to new production and system

upsets the maximum line pressure of the Targa has been reached and Targa cannot accept additional gas. The gathering line pressure restraints results in Walsh needing to flare a portion of the produced gas each month. Therefore, Walsh is requesting to flare 500 mcf/d from Sawyer 576 Lease, the Davis 578 603 Lease, and the Thelma Nelson Lease, Brahaney Field, Yoakum County, Texas, for a two year period from January 31, 2018 through January 31, 2020.

### **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. Walsh applied for a hearing to extend the flaring authority more than 21 days before the administrative permits expired.
3. Walsh is requesting to flare 800 mcf/d from the Thunderstruck Lease for a two year period from September 30, 2017 through September 30, 2019.
4. Due to the rapid development of this play the maximum line pressure of the Targa has been reached and Targa cannot accept additional gas.
5. Without a Final order authorizing the flaring, Walsh will have to shut the wells in causing waste and possible harm to the reservoir.

### **CONCLUSIONS OF LAW**

1. 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. Walsh Petroleum, Inc. 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 casinghead gas produced from the Sawyer 576 Lease, the Davis 578 603 Lease, and the Thelma Nelson Lease, Brahaney Field, Yoakum County, Texas.


### **EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend the Commission enter an order approving the application as requested by Walsh Petroleum, Inc.



Richard Eyster, P. G.  
Technical Examiner

Respectfully submitted,



Clayton J. Hoover  
Administrative Law Judge