RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 8A-0308615 IN THE PLATANG (SAN ANDRES) FIELD, YOAKUM COUNTY, TEXAS

FINAL ORDER APPROVING THE APPLICATION OF STEWARD ENERGY II, LLC FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE GREASY BEND 584 (70376) LEASE AND THE EVEN FLOW 584 LEASE, DRILLING PERMIT NOS. 827732 AND 826789, PLATANG (SAN ANDRES) FIELD, YOAKUM COUNTY, TEXAS

The Commission finds that after statutory notice in the above-numbered docket heard on March 12, 2018, the presiding Administrative Law Judge and Technical Examiner (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 Steward Energy II, LLC is hereby granted an exception to Statewide Rule 32 (16 Tex. Admin. Code §3.32) for the Greasy Bend 584 Lease, Well No. 1H commingled flare point which services the Greasy Bend 584 Lease, Well No. 1H and the Even Flow 584 Lease, Well Nos. 3H and 4H in Platang (San Andres) Field, Yoakum County, Texas.

 Steward is authorized to flare a maximum volume of 800 thousand cubic feet per day (MCFPD) of casinghead gas from the commingled flare point at the Greasy Bend 584 Lease 1H Well from January 15, 2018 to January 14, 2020.

The authority is granted, provided all production is reported on the appropriate Commission forms. Steward Energy II, LLC 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 all wells.

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 effective on the date the Master Order relating to the Final Order is signed.

Done this 24th day of April 2018.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Division's Unprotested Master Order dated April 24, 2018)