RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL & GAS DOCKET NO. 08-0308738

THE APPLICATION OF XTO ENERGY INC FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR NINE FLARE POINTS IN THE BASHARA AREA, KEYSTONE (COLBY), KEYSTONE (SILURIAN), KEYSTONE (ELLENBURGER), KEYSTONE (WADDELL), AND KEYSTONE, SW. (SAN ANDRES) FIELDS, WINKLER COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on April 12, 2018, the technical examiner and administrative law judge ("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 complies 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 XTO Energy Inc. is hereby **GRANTED** authority to flare gas from nine flare points in the Bashara area, Keystone (Colby), Keystone (Silurian), Keystone (Ellenburger), Keystone (Waddell), And Keystone, SW. (San Andres) Fields, Winkler County, Texas. XTO Energy Inc. is authorized to flare up to 2,660 thousand cubic feet of gas per day according to the schedule on Attachment A. 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 $\S 2001.144(a)(4)(A)$, 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 22nd day of May 2018.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by Hearings Divisions' Unprotested Master Order dated May 22, 2018)

ATTACHMENT A LIST OF FLARE POINTS IN THE BASHARA TANK BATTERY AREA WINKLER COUNTY, TEXAS

Flare Point No.	Flare Point Name	Permit No.	Field Name	Lease No./ Gas ID	Max. Daily Flaring Volume (MCFD)	Effective Date	Expiration Date
1	MJ Bashara B	29555	Keystone (Colby) Keystone (Silurian)	03290 19110	50	4/12/2018	Permanent
2	MJ Bashara 71S	29560	Keystone (Silurian)	03417	50	4/12/2018	Permanent
3	MJ Bashara Sat Colby	29726	Keystone (Colby)	16082	120	4/12/2018	4/11/2020
4	MJ Bashara Sat Silurian	29563	Keystone (Silurian)	03417	120	4/12/2018	4/11/2020
5	MJ Bashara Bty	29569	Keystone (Ellenburger)	03370 153194 270853	120	4/12/2018	4/11/2020
6	MJ Bashara Section 21	29535	Keystone, SW. (San Andres)	27885	100	4/12/2018	4/11/2020
7	BASH Ellenburger	29568	Keystone (Ellenburger) Keystone (Ellenburger) Keystone (Waddel)	36242 020410 270854	1,200	4/12/2018	4/11/2020
8	BASH Colby TB	30054	Keystone (Colby)	16091	400	4/12/2018	4/11/2020
9	MJ Bashara D TB	30053	Keystone (Colby)	17728	500	4/12/2018	4/11/2020

Total 2,660