

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 08-0315176

**APPLICATION OF SM ENERGY COMPANY (788997) FOR AN EXCEPTION TO
STATEWIDE RULE 32 FOR THE LOUDAMY 45 (40989) LEASE, WELL NO. 45-2,
SPRABERRY (TREND AREA) FIELD, HOWARD COUNTY, TEXAS**

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on November 26, 2018, 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 SM Energy Company is hereby granted an exception to Statewide Rule 32 for the Loudamy 45 (40989) Lease, Well No. 45-2, in the Spraberry (Trend Area) Field, Howard County, Texas. SM Energy Company is hereby authorized to flare up to 8,000 MCF per day of casinghead gas per day from September 27, 2018 through September 27, 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 the facility.

Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and the consent of the applicant, the Final Order is final and effective when a Master Order relating to this Final Order is signed.

Done this 23th day of January 2019.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotested Master
Order dated January 23, 2019)**