RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. . 08-0313722

APPLICATION OF XTO ENERGY INC. (945936) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE NOBLES (39040) LEASE AND THE NOBLES "A" (39041) LEASE IN THE SPRABERRY (TREND AREA) FIELD, MIDLAND COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on October 25, 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 any exceptions and replies thereto, 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 an exception to Statewide Rule 32 (16 Tex. Admin. Code § 3.32) for the Nobles (39040) Lease and Nobles "A" (39041) Lease in the Spraberry (Trend Area) Field (Field No. 85280300) in Midland County, Texas. XTO Energy Inc. is authorized to flare casinghead gas volumes for two-years as follows:

- Nobles (39040) Lease, Nobles 29H TB flare point with flaring authority of 8,000 MCF/Day authorized under Permit No. 34114, from July 29, 2018 to July 28, 2020;
- Nobles (39040) Lease, Nobles 29 TB flare point with flaring authority of 400 MCF/Day authorized under Permit No. 34113, from July 29, 2018 to July 28, 2020;
- Nobles (39040) Lease, Nobles 33 TB flare point with flaring authority of 500 MCF/Day authorized under Permit No. 34116, from July 29, 2018 to July 28, 2020; and
- d) Nobles "A" (39041) Lease, Nobles A TB flare point with flaring authority of 250 MCF/Day authorized under Permit No. 34115, from July 29, 2018 to July 28, 2020.

The authority is granted, provided all production is reported on the appropriate Commission forms. XTO Energy Inc. 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 the right to file a motion for rehearing and the Final Order in this case is final and effective on the date the Master Order relating to the Final Order is signed.

Done this 23rd day of January 2019.

RAILROAD COMMISSION OF TEXAS

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