



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL & GAS DOCKET NO. 08-0313900**

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**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE ASTRO STATE 12 (48295) LEASE, WELL NO. 1H, PHANTOM (WOLFCAMP) FIELD, REEVES COUNTY, TEXAS**

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**OIL & GAS DOCKET NO. 08-0313904**

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**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE BOYD 21 LEASES (GAS ID NOS. 283820, 283821 & 283822), COMMINGLING PERMIT NO. 8246, PHANTOM (WOLFCAMP) FIELD, LOVING COUNTY, TEXAS**

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**HEARD BY:** Petar Buva – Technical Examiner  
Kristi M. Reeve – Administrative Law Judge

**HEARING DATE:** September 26, 2018

**CONFERENCE DATE:** February 5, 2019

**APPEARANCES:** **REPRESENTING:**

**APPLICANT:** WPX Energy Permian, LLC

Bill G. Spencer, Consultant  
James M. Clark, Petroleum Engineer

### EXAMINERS' REPORT AND RECOMMENDATION

#### STATEMENT OF THE CASE

WPX Energy Permian, LLC (942623) ("WPX") is requesting a Statewide Rule 32 flaring exception for the Astro State 12 (48295) Lease, Well No. 1H, Pantom (Wolfcamp) Field, Reeves County, Texas, and the Boyd 21 Leases (Gas ID Nos. 283820, 283821, and 283822), Commingling Permit No. 8246, Phantom (Wolfcamp) Field, Loving County, Texas. Notice of the application was provided to offset operators in the field and no protests were received. The applications are unopposed, and the Technical Examiner and Administrative Law Judge (collectively, "Examiners") recommend approval of a Statewide Rule 32 exception for the leases as requested by WPX.

### DISCUSSION OF THE EVIDENCE

Statewide Rule 32 governs the utilization for legal purposes of natural gas produced under the jurisdiction of the Railroad Commission. Specifically, Statewide Rule 32(j) *Opportunity for hearing* states that an operator may request a hearing on any application for a flaring exception, or flaring exception renewal required by this section.

WPX requests an exception to Statewide Rule 32 for the Astro State 12 (48295) Lease, Well No. 1H. WPX requests permission to flare a maximum of 400 cubic feet (MCF) per day of casinghead gas from the flare point associated with Well No. 1H. WPX requests permission to flare for up to 2 years from September 29, 2018 to September 29, 2020.

WPX requests an exception to Statewide Rule 32 for the Boyd 21 Leases (Gas ID Nos. 283820, 283821, and 283822), Well Nos. 1SL, 2H, 3H, & 4H. WPX requests permission to flare a maximum of 1,500 cubic feet (MCF) per day of gas from each of the flare points associated with Well Nos. 1SL, 2H, 3H, & 4H. WPX requests permission to flare for up to 2 years from August 31, 2018 to August 31, 2020.

WPX filed a hearing request on August 6, 2018. The prior administrative flaring exception, Flare Permit No. 33828, authorized flaring for the Astro State 12 Lease, Well No. 1H from June 1, 2018 through September 28, 2018. The prior administrative flaring exception, Flare Permit No. 33827, authorized flaring for Boyd 21 Leases, Well Nos. 1SL, 2H, 3H, & 4H, from June 1, 2018 through September 28, 2018.

WPX requests flaring during routine maintenance or sales line unavailability. WPX agreed that pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), these Final Orders can be final and effective on the date a Master Order relating to these Final Orders are signed.

### FINDINGS OF FACT

1. Notice of this hearing was given to offset operators in the subject field at least ten days prior to the date of hearing. There were no protests to the applications.
2. On August 6, 2018, the Commission received a hearing request from WPX for an exception to Statewide Rule 32 for the Astro State 12 Lease, Well No. 1H, and Boyd 21 Leases, Well Nos. 1SL, 2H, 3H, & 4H.
3. WPX requests an exception to Statewide Rule 32 for the Astro State 12 Lease, Well No. 1H, for a period of two years from September 29, 2018 to September 29, 2020, to flare a maximum of 400 MCF of casinghead gas per day.

4. WPX requests an exception to Statewide Rule 32 for the Boyd 21 Leases, Well Nos. 1SL, 2H, 3H, & 4H flare points for a period of two years from August 31, 2018 to August 31, 2020, to flare a maximum of 1,500 MCF of gas per day.
5. The Astro State 12 Lease, Well No. 1H was flaring under Flare Permit No. 33828 that expired on September 28, 2018. The Boyd 21 Leases, Well Nos. 1SL, 2H, 3H, & 4H were flaring under Flare Permit No. 33827, that expired on August 30, 2018.
6. WPX agreed in writing or on the record that, pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order can be final and effective on the date a Master Order relating to this Final Order is signed.

#### **CONCLUSIONS OF LAW**

1. Notice was issued as required by applicable statutes and commission rules.
2. All things have occurred and been accomplished to give the Commission jurisdiction in this matter.
3. The requested authority to flare gas satisfies the requirements of Statewide Rule 32.16 Tex. Admin. Code § 3.32(h).
4. 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 Final Order can be final and effective when a Master Order relating to this Final Order is signed.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission grant an exception to Statewide Rule 32 for the Astro State 12 (48295) Lease, Well No. 1H, Pantom (Wolfcamp) Field, Reeves County, Texas, for a period of two years from September 29, 2018 to September 29, 2020 to flare a maximum of 400 MCF of casinghead gas per day, as requested by WPX. Furthermore, the Examiners recommend that the Commission grant an exception to Statewide Rule 32 for and the Boyd 21 Leases (Gas ID Nos. 283820, 283821, and 283822), Commingling Permit No. 8246, Phantom (Wolfcamp) Field, Loving County, Texas, for a period of two years from August 31, 2018 to August 31, 2020 to flare a maximum of 1,500 MCF of gas per day, as requested by WPX Energy Permian, LLC.

Respectfully submitted,



Petar Buva  
Technical Examiner



Kristi M. Reeve  
Administrative Law Judge