RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 08-0317661

APPLICATION OF UPCURVE ENERGY, LLC (878506) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS WELLS AND LEASES IN THE PHANTOM (WOLFCAMP) FIELD, REEVES COUNTY, TEXAS

FINAL ORDER

The Railroad Commission of Texas ("Commission") finds that after statutory notice in the above-captioned case heard on March 27, 2019, 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 due consideration of this application, hereby adopts as its own the findings of fact and conclusions of law contained in the Examiners' report 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 Upcurve Energy, LLC is hereby granted an exception to Statewide Rule 32 (16 Tex. Admin. Code § 3.32) for the B. Johnson State 33 commingled (No. 8521) flare point through Permit No. 37599. Upcurve Energy, LLC is authorized to flare casinghead gas volumes of up to 1,500 thousand cubic feet per day for two years, from February 10, 2019 through February 9, 2021, under Permit No. 37599, or as determined by the Commission. Attachment A to this Final Order summarizes the flare exception authority established by the Final Order.

The authority is granted, provided all production is reported on the appropriate Commission forms. Upcurve Energy, 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 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.

Signed on May 21, 2019

RAILROAD COMMISSION OF TEXAS (Order approved and signatures affixed by Hearings Division's Unprotested Master Order dated May 21, 2019)

ATTACHMENT A - FLARE EXCEPTION AUTHORITY

Permit No.	Commingle Permit No. (If Applicable) (2)	Flare Point Name	Permit Start Date (1)	Permit End Date	Proposed Maximum Flare Volume (Mcfd)	Casinghead Gas or Gas Well Gas
37599	8521	B JOHNSON STATE 33 CENTRAL FLARE POINT	2/10/2019	2/9/2021	7,500	Casinghead Gas

Note: Mcfd = Thousand Cubic Feet Per Day

- (1) Permit Start Date for each respective flare exception authority to be first day after expiration of the existing exception authority if application for hearing is filed with the commission at least 21 days prior to expiration of the existing exception authority, otherwise flaring exception authority start date will be the latter of the first day after expiration of the existing exception authority or the hearing request date, if approved.
- (2) Evidence indicates the various leases which connect to the commingled flare point are the: B. Johnson State 33 Lease; Winkler State 34 Lease; Mackey State 33 Lease; York State 33 1H Allocation Well; and, Maralo State 33 Lease.