

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 08-0318388

**THE APPLICATION OF APR OPERATING LLC (028612) TO CONSIDER A SOUR GAS
PIPELINE PURSUANT TO STATEWIDE RULE 106 FOR THE MAVERICK SOUR GATHERING
SYSTEM, CULBERSON AND REEVES COUNTIES, TEXAS**

FINAL ORDER

The Commission finds that after notice and opportunity for hearing, the above-numbered docketed application meets the requirements of Statewide Rule 106 (16 Tex. Admin. Code §3.106 Sour Gas Pipeline Construction Permit.) The proceedings having been duly submitted to the Railroad Commission of Texas at conference held in its office in Austin, Texas, the Commission makes the following Findings of Fact and Conclusions of Law.

FINDINGS OF FACT

1. On February 26, 2019, APR Operating, LLC ("APR") filed with the Railroad Commission an application to construct a sour gas pipeline pursuant to 16 Tex. Admin. Code §3.106, the Maverick Sour Gas Gathering System, Culberson and Reeves Counties, Texas.
2. On January 23, 2019, APR filed a copy of the application with the Yoakum County Clerk in Plains, Yoakum County, Texas.
3. On January 17, 2019, APR published notice of the application in *The Van Horn Advocate*, and in *The Pecos Express*, both newspapers of general circulation in Culberson and Reeves Counties, Texas.
4. The Commission's Oversight and Safety Division has reviewed Form T-4 (Application for Permit to Operate a Pipeline in Texas) and recommends the pipeline permit be issued.
5. The Commission's Field Operations Section has reviewed the Form H-9 (Certificate of Compliance with Statewide Rule 36), contingency plan and supporting data for the subject pipeline and recommends the pipeline permit be issued.
6. On April 16, 2019, the application was received for review by the Commission's Hearings Division.
7. No protests were received.

8. On May 29, 2019, the Technical Examiner recommended the application be approved by the Commission at the next available conference.
9. The proposed pipeline will be about 30.04 miles long and will transport sour gas from nearby wells to three nearby compressor stations ("CS"), including the Cosmo CS, the Four Points CS, and the Penner CS.
10. The pipeline will consist of varying lengths of 8-inch, 10-inch, 12-inch, 16-inch, 18-inch and 20-inch pipe.
11. The pipeline will transport gas containing approximately 1,000 parts per million hydrogen sulfide with a maximum rate of 60,000 thousand cubic feet per day ("Mcf/d").
12. The normal operating pressure will be 80 pounds per square inch ("psi") and the maximum allowable operating pressure will be 100 psi.
13. The system will be equipped with automatic emergency shutdown valve systems along the line and manual isolation valves will be located at each well and at various points along the pipeline. Each CS will have an emergency flare. The pipeline will be monitored 24/7 with a SCADA system and will detect high and low pressures and volume discrepancies. Fixed ambient monitors will be located at the Field Campus and at each CS.
14. The pipeline will be constructed of SDR 9 Poly Pipe. Pipeline materials and construction meet the NACE and API standards, as required by Statewide Rule 36 for hydrogen sulfide service.
15. The pipeline will be constructed subject to Commission inspections for compliance with the appropriate Commission Rules pursuant to Statewide Rule 36.
16. The 100-ppm and 500-ppm radius of exposure ("ROE") of the pipeline is dependent upon line size and maximum calculated flow.
 - a. For 10,000 Mcfd, the ROE for 100-ppm is 426 feet, for 500-ppm is 195 feet
 - b. For 20,000 Mcfd, the ROE for 100-ppm is 657 feet, for 500-ppm is 300 feet
 - c. For 40,000 Mcfd, the ROE for 100-ppm is 1,014 feet, for 500-ppm is 463 feet
 - d. For 60,000 Mcfd, the ROE for 100-ppm is 1,306 feet, for 500-ppm is 597 feet
17. There are no public receptors within the 100-ppm ROE. There is one public road, FM 2119, within the 500-ppm ROE. The line will cross FM 2119 at two separate locations. The ROE locations have been verified by on-site review on March 20, 2019.
 - a. APR will brief the public and public officials on safety issues prior to the start of operations either through direct mailings or face-to-face meetings.

- b. The contingency plan and ROE maps submitted by APR complies with the provisions of Statewide Rules 36(c)(9) and 106(a)9).
18. The materials to be used in and method of construction and operation of the facility comply with the applicable rules and safety standards adopted by the Commission.
19. By e-mail received by the Hearings Division on May 30, 2019, APR requested for the record that a Final Order in this case is to be effective when the Master Order is signed.

CONCLUSIONS OF LAW

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 3.106
3. The application complies with Statewide Rule 106. 16 Tex. Admin. Code § 3.106
4. Approving the application for a permit to construct and operate the proposed sour gas pipeline is consistent with the rules and safety standards adopted by the Commission.
5. Pursuant to §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 on June 18, 2019.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of APR Operating, LLC to construct and operate a sour gas pipeline, the Maverick Sour Gas Gathering System, Culberson and Reeves Counties, Texas., is hereby **GRANTED**. APR Operating, LLC shall comply with all applicable rules and safety standards adopted by the Commission for the construction and operation of sour gas pipelines.

Pursuant to §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 18th day of June 2019.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotested Master
Order dated June 18, 2019)**