

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 08-0316363

**APPLICATION OF ANADARKO E&P ONSHORE LLC (020528) FOR AN EXCEPTION
TO STATEWIDE RULE 32 FOR VARIOUS FACILITIES, SANDBAR (BONE SPRING)
FIELD, LOVING, REEVES AND WARD COUNTY, TEXAS**

FINAL ORDER

The Railroad Commission of Texas (“Commission”) finds that after notice in the above-docketed case was provided to all parties entitled to notice, a hearing was heard on January 17, 2019 by a Commission Technical Examiner and Administrative Law Judge. This proceeding was duly submitted to the Commission at a conference held in its offices in Austin, Texas. After considering this matter, the Commission adopts the following findings of fact and conclusions of law.

FINDINGS OF FACT

1. Anadarko seeks three exceptions to Statewide Rule 32 for authority to flare a maximum of 30 to 45 Mcfd of casinghead gas and gas well gas from December 30, 2018 to December 30, 2020 from three flare points at various facilities, in the Sandbar (Bone Spring) Field, Loving, Reeves and Ward Counties, Texas. A list identifying the flare points is attached as Attachment A.
2. Anadarko submitted a request for hearing on the Application on November 12, 2018.
3. Anadarko was previously granted administrative exceptions to Statewide Rule 32 for the subject leases (Flare Permits No.34467, 34471, 34477), all terminating December 29, 2018.
4. On December 14, 2018 the Hearings Division of the Commission sent a Notice of Hearing (“Notice”) to Applicant and all offsetting operators in the field setting a hearing date of January 17, 2019. Consequently, the parties received more than 10 days’ notice. The Notice contains (1) a statement of the time, place, and nature of the hearing; (2) a statement of the legal authority and jurisdiction under which the hearing is to be held; (3) a reference to the particular sections of the statutes and rules involved; and (4) a short and plain statement of the matters asserted. The hearing was held on January 17, as noticed. Applicant appeared and participated at the hearing. No one appeared in protest.
5. The gas from the subject leases is normally delivered and sold to sales lines.
6. The flaring authority is requested to flare low-pressure tank vapors and flash gas, resulting in an average of 2.0% of production being flared.
7. Low-pressure flash-gas and tank vapors are uneconomical to capture and compress.

8. The requested Statewide Rule 32 exception to flare a maximum of 45 Mcfd of casinghead gas and gas well gas is necessary for Anadarko to produce the recoverable oil from the subject leases.
9. At the hearing, Anadarko agreed on the record that the Final Order in this docketed case, is to be final and effective when a Master Order relating to this Final 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. See 16 Tex. Admin. Code §§ 1.42, 1.45, 3.32.
3. The requested authority to flare casinghead gas satisfies the requirements of Statewide Rule 32. 16 Tex. Admin. Code § 3.32.
4. Pursuant to § 2001.144(a)(4)(A) of the Texas Government Code, and the agreement of the applicant, the Final Order in this case can be final and effective when a Master Order relating to the Final Order is signed.

Ordering Provisions

It is **ORDERED** that Anadarko E&P Onshore LLC is granted 14 two-year exceptions to Statewide Rule 32. Its request for authority to flare a maximum of 155 Mcfd of casinghead gas and gas well gas from the subject leases from December 30, 2018 to December 30, 2020, as reflected in attached Attachment A is **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. Anadarko shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the required fee for a Statewide Rule 32 exception for each individual flare point on the various Leases. See 16 Tex. Admin. Code § 3.32(h)(1).

Pursuant to § 2001.144(a)(4)(A) of the Texas Government Code and the 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 June 18, 2019

RAILROAD COMMISSION OF TEXAS

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

ATTACHMENT A – FLARE EXCEPTION AUTHORITY

Appendix A - Amended

Location	Requested Exception Rate	Approved Renewal Expiration Date	RRC Permit Number	All Lease Numbers Associated with Facility/Permit	Requested from Date	Requested End Date	Casing Head Gas (CHG) and/or Gas Well Gas (GWG)
1 BEARTOOTH 54-1-34 #1H	30	12/29/2018	34471	279236	12/30/2018	12/30/2020	GWG
2 BULLHEAD STATE 55-1-45 UNIT B #1H & #4H	40	12/29/2018	34467	279421, 47636	12/30/2018	12/30/2020	CHG & GWG
3 LOVING B PAD (THREASHER 55-1-5 #1H)	45	12/29/2018	34477	281140	12/30/2018	12/30/2020	GWG