

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET NO. 08-0321399**

---

**APPLICATION OF PIONEER NATURAL RESOURCES USA, INC. (665748) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR 6 FLARE POINTS IN SPRABERRY (TREND AREA) FIELD, MARTIN 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 May 30, 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. The six (6) flare points subject to this docket (see Attachment A) were originally part of Oil and Gas Docket No. 08-0320862. The Examiners severed these six (6) flare points from that docket on July 11, 2019 and created Oil and Gas Docket No. 08-0321399 to consider Pioneer Natural Resources USA, Inc.'s ("Pioneer" or "Applicant") application.
2. Pioneer filed an application ("Application") seeking a two-year exception to Title 16 of the Texas Administrative Code § 3.32 ("Statewide Rule 32") for authority to flare casinghead gas in volumes ranging from 1,400 thousand cubic feet per day ("Mcf") to 6,000 Mcfd from May 28, 2019, through May 27, 2021, from six (6) individual flare points in the Spraberry (Trend Area) Field, Martin County, Texas. The respective flare point volumes are listed in Attachment A.
3. Pioneer submitted a request for hearing on the Statewide Rule 32 flaring exception on May 3, 2019.
4. The Commission granted Pioneer administrative exceptions to Statewide Rule 32 to flare casinghead gas from each of the six (6) separate points due to restrictions in the gas sales line. Each of the six (6) administrative exception expired on May 27, 2019.
5. On May 13, 2019, the Hearings Division of the Commission sent a Notice of Hearing ("Notice") to Pioneer and all offsetting operators in the field setting a hearing date of May 30, 2019. 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 May 30, 2019. Applicant appeared and participated at the hearing. No one appeared in protest.

6. Pioneer seeks the Statewide Rule 32 flaring exceptions due to intake capacity restriction on the gas sales line.
7. Each of the six (6) individual flare points serve multiple leases containing horizontal wells.
8. Pioneer's requested individual flare point volumes are justified by projections derived from the historical casinghead production associated with each of the six (6) individual flare points.
9. The requested Statewide Rule 32 exceptions to flare casinghead gas is necessary for Pioneer to produce the recoverable oil from the multiple leases serviced by the individual flare points during periods of gas sales line restrictions.
10. At the hearing, Pioneer 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. Proper notice was issued to persons entitled to notice. *See, e.g.,* Tex. Gov't Code § 2001.051; 16 Tex. Admin. Code §§ 1.42, 1.45.
2. The Commission has jurisdiction in this case. *See, e.g.,* Tex. Nat. Res. Code § 81.051.
3. Statewide Rule 32 requires gas to be utilized for purposes and uses authorized by law unless authorized. 16 Tex. Admin. Code § 3.32(b).
4. Statewide Rule 32 provides exceptions allowing the flaring of gas if certain requirements are met and the flaring is necessary. *See, e.g.,* 16 Tex. Admin. Code § 3.32(f), (h).
5. Pioneer meets the requirements in Statewide Rule 32 to flare casinghead gas for the maximum amount listed in Attachment A, and the flaring of such gas is necessary.

6. Pursuant to the provisions of Texas Government Code § 2001.144(a)(4)(A), this Final Order is be final and effective on the date a Master Order relating to this Final Order is signed.

### **Ordering Provisions**

It is **ORDERED** that Pioneer Natural Resources USA, Inc. (665748), Inc. be granted a two-year exception to Statewide Rule 32. The request for authority to flare from May 28, 2019 through May 27, 2019, for the six (6) flare points in the Spraberry (Trend Area) Field, identified in Attachment A, is **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. Pioneer Natural Resources USA, Inc. 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 of the six (6) individual flare points identified in Attachment A. 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 August 6, 2019.**

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
Hearings Division's Unprotested Master  
Order dated August 6, 2019)**

**ATTACHMENT A – FLARE EXCEPTION AUTHORITY**

<b>Permit No.</b>	<b>Commingle Permit No. (If Applicable)</b>	<b>Lease Name, Individual Flare Stacks</b>	<b>Permit Start Date</b>	<b>Permit End Date</b>	<b>Maximum Flare Volume (Mcf/d &amp; Mcfm)</b>	<b>Casinghead Gas or Gas Well Gas</b>
36441	N/A	Sale Ranch 37-16H Battery	May 28, 2019	May 27, 2021	1,400 Mcfd  42,000 Mcfm	Casinghead Gas
36443	N/A	Sale Ranch 37-17H Battery	May 28, 2019	May 27, 2021	4,500 Mcfd  135,000 Mcfm	Casinghead Gas
36442	N/A	Sale Ranch 37-21H Battery	May 28, 2019	May 27, 2021	2,500 Mcfd  75,000 Mcfm	Casinghead Gas
36440	N/A	Sale Ranch 37-22H Battery	May 28, 2019	May 27, 2021	6,000 Mcfd  180,000 Mcfm	Casinghead Gas
36439	N/A	Sale Ranch 37-24H Battery	May 28, 2019	May 27, 2021	5,000 Mcfd  150,000 Mcfm	Casinghead Gas
36382	N/A	Woody 37-37H Battery	May 28, 2019	May 27, 2021	5,000 Mcfd  150,000 Mcfm	Casinghead Gas

**Note:**

**Mcf/d = Thousand Cubic Feet Per Day**

**Mcfm = Thousand Cubic Feet Per Month**