

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET NO. 08-0320854**

---

**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO  
STATEWIDE RULE 32 FOR THE CBR 41-44A CENTRAL FLARE POINT AND CY 41  
LEASE, PHANTOM (WOLFCAMP) FIELD, LOVING COUNTY, TEXAS**

---

**FINAL ORDER**

The Railroad Commission of Texas ("Commission") finds that after a joint notice of hearing in the above-docketed case was provided to all parties entitled to notice, a hearing was heard on August 9, 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. WPX Energy Permian, LLC ("WPX") seeks:
  - a. a two-year exception to Statewide Rule 32 ("Statewide Rule 32") for authority to flare a maximum of 1,200 thousand cubic feet per day ("Mcf/d"), limited to 37,200 thousand cubic feet per month ("Mcfm"), of gas well gas from July 16, 2019, to July 15, 2021, from the central flare stack located at the CBR 41-44A Central Flare Point, in the Phantom (Wolfcamp) Field, Loving County, Texas, and
  - b. a two-year exception to Statewide Rule 32 for authority to flare a maximum of 75 Mcfd, limited to 2,325 Mcfm, of gas well gas from July 18, 2019, to July 17, 2021, from flare point located on the Cy 41 Lease, in the Phantom (Wolfcamp) Field, Loving County, Texas.
2. WPX submitted a request for hearing on the Statewide Rule 32 exception flaring authority on June 12, 2019.
3. WPX was previously granted:
  - a. an administrative exception to Statewide Rule 32 to flare a maximum gas well gas volume of 7,000 Mcfd from the CBR 41-44A Central Flare Point, in the Phantom (Wolfcamp) Field, Loving County, Texas, under Flare Permit No. 38329, expiring July 15, 2019, and

- b. An administrative exception to Statewide Rule 32 to flare a maximum daily gas well gas volume of 400 Mcfd from the Cy 41 Lease flare point, in the Phantom (Wolfcamp) Field, Loving County, Texas, under Flare permit No. 38331, expiring July 17, 2019.
4. On July 11, 2019, the Hearings Division of the Commission sent a Joint Notice of Hearing ("Notice") to Applicant and all offsetting operators in the field setting a hearing date of August 9, 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 August 9, 2019, as noticed. Applicant appeared and participated at the hearing. No one appeared in protest.
5. The gas well gas from the CBR 41-44A Lease and the Cy 41 Lease is gathered by Stateline Gathering, LLC ("Stateline") and purchased by five different companies.
6. Stateline does not always have capacity for one hundred percent (100%) of the gas produced by the CBR 41-44A Lease and the CY41 Lease wells.
7. Through July 2019, the CBR 41-44A Lease wells, have flared 222,000 Mcf of gas, which is 5.6% of total gas production.
8. Through July 2019, the Cy 41 Lease well, has flared 15,000 Mcf, which is 3.6% of production.
9. Based on a table of historic gas disposition:
  - a. from the CBR 41-44A Lease wells, the estimated volume of gas to be flared would be a maximum of 1,200 Mcfd, limited to 37,200 Mcfm, and
  - b. from the Cy 41 Lease well, the estimated volumes of gas to be flared would be a maximum of 75 Mcfd, limited to 2,325 Mcfm.
10. The requested Statewide Rule 32 exception to flare is necessary for WPX to produce the recoverable hydrocarbon liquids from the CBR 41-44A Lease wells and the Cy 41 Lease well.
11. At the hearing, WPX 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. WPX has met the requirements in Statewide Rule 32 to flare gas 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 can be final and effective on the date a Master Order relating to this Final Order is signed.

### Ordering Provisions

It is **ORDERED** that WPX Energy Permian, LLC (942623), Inc. is granted a two-year exception to Statewide Rule 32 for the CBR 41-44A Lease Central Flare Point and for the Cy 41 Lease flare point. Its request for authority to flare a maximum of 1,200 Mcfd, limited to 37,200 Mcfm, of gas well gas from the central flare stack located at the CBR 41-44A Lease, from July 16, 2019, to July 15, 2021, as reflected in attached Attachment A, is **APPROVED**. Its request for authority to flare a maximum of 75 Mcfd, limited to 2,325 Mcfm, of gas well gas from the flare stack located at the Cy 41 Lease, from July 18, 2019, to July 17, 2021, as reflected in attached Attachment A, is **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. WPX 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 at the CBR 41-44A Lease and the Cy 41 Lease. 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 September 11, 2019**

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed by  
Hearings Division's Unprotected Master  
Order dated September 11, 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; Mcf/m)</b>	<b>Casinghead Gas or Gas Well Gas</b>
38329	08-8629	CBR 41-44A Central Flare Point	July 16, 2019	July 15, 2021	1,200 Mcfd 37,200 Mcfm	Gas Well Gas
38331	NA	Cy 41 Lease	July 18, 2019	July 17, 2021	75 Mcfd 2,325 Mcfm	Gas Well Gas

**Note:**  
**Mcf/d = Thousand Cubic Feet per Day**  
**Mcf/m = Thousand Cubic Feet Per Month**