

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET NO. OG-19-00001058**

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**APPLICATION OF ENDEAVOR ENERGY RESOURCES L.P. (251726) FOR AN  
EXCEPTION TO STATEWIDE RULE 32 FOR THE HENCE B LEASE, SPRABERRY  
(TREND AREA) FIELD, MARTIN COUNTY, TEXAS, DISTRICT 08**

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**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 held on November 22, 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. Endeavor Energy Resources, L.P. ("EER" or "Applicant") seeks a 119-day exception to Statewide Rule 32 ("Statewide Rule 32") for authority to flare a maximum of 300 thousand cubic feet per day ("Mcf/d"), limited to 9,150 thousand cubic feet per month ("Mcfm"), of casinghead gas from September 3, 2019 to December 31, 2019, from a flare point for the Hence B Lease ("Lease"), Spraberry (Trend Area) Field, in Martin County, Texas.
2. EER submitted a request for hearing on the Statewide Rule 32 exception flaring authority on August 29, 2019.
3. EER was previously granted an administrative exception to Statewide Rule 32 under Flare Permit No. 38366 to flare a maximum of 300 Mcf/d, expiring September 2, 2019.
4. On October 29, 2019, 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 November 22, 2019. On December 3, 2019, a letter was sent by Commission staff to provide Notice to an offset operator that should have been included on the original service list. 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 November 22, 2019, as noticed. Applicant appeared and participated at the hearing. No one appeared in protest.

5. Gas from the wells connected to this flare point is being taken by Chevron. In March 2019, Chevron terminated takes of this gas. EER has negotiated a new gas contract with Targa to take this gas. The connection with Targa is currently being installed and gas takes by Targa are expected to begin in December 2019.
6. Since March 2019, maximum flare volumes have exceeded 250 Mcfd, but remained below 300 Mcfd.
7. Based on production data and historical flaring rates, the estimated volume of casinghead gas to be flared from the Lease would be a maximum of 300 Mcfd, limited to 9,150 Mcfm, from September 3, 2019 through December 31, 2019.
8. The requested Statewide Rule 32 exception to flare a maximum of 300 Mcfd, limited to 9,150 Mcfm, of casinghead gas from the Lease is necessary for EER to produce recoverable hydrocarbons liquids from the Lease until the connection with Targa is installed.
9. At the hearing, EER 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. EER has met the requirements in Statewide Rule 32 to flare casinghead gas as reflected on 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 can be final and effective on the date a Master Order relating to this Final Order is signed.

### Ordering Provisions

It is **ORDERED** that Endeavor Energy Resources L.P. (251726) is granted a 119-day exception to Statewide Rule 32. EER's request for authority to flare a maximum of 300 Mcfd, limited to 9,150 Mcfm, of casinghead gas from September 3, 2019 to December 31, 2019, from the flare point for the Hence B Lease ("Lease"), Spraberry (Trend Area) Field, in Martin County, Texas, as reflected in attached Attachment A is **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. EER 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 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 February 11, 2020.

RAILROAD COMMISSION OF TEXAS

(Order approved and signatures affixed by  
Hearings Division's Unprotested Master  
Order dated February 11, 2020)

**ATTACHMENT A – FLARE EXCEPTION AUTHORITY**

Exception No.	Commingle Permit No. (If Applicable)	Lease Name, Individual Flare Stacks	Exception Start Date	Exception End Date	Maximum Flare Volume (Mcf/d & Mcf/m)	Casinghead Gas or Casinghead Gas
38366	08-5720	Hence B	September 03, 2019	December 31, 2019	300 Mcf/d, 9,150 Mcf/m	Casinghead Gas

**Note:**

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

**Mcf/m = Thousand Cubic Feet Per Month**