

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. OG-19-00001337

**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO
STATEWIDE RULE 32 FOR THE CBR 18-19, PHANTOM (WOLFCAMP) FIELD,
LOVING COUNTY, TEXAS, DISTRICT 08**

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 December 3, 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" or "Applicant") seeks a two-year exception to Statewide Rule 32 for the flaring point related to Commingling Permit No. 08-8772, in Phantom (Wolfcamp) Field, Loving County, Texas.
2. WPX is requesting authority to flare 1,450 thousand cubic feet per day ("Mcf/d") or 10,150 thousand cubic feet per month ("Mcfm"). The requested daily limit is based on the highest daily flaring volume in the past 180 days. The monthly flaring limit is based on 7 days of the maximum allowed daily flaring volume.
3. WPX submitted a request for hearing on the Statewide Rule 32 exception for flaring authority on October 7, 2019.
4. On October 30, 2019, the Hearings Division of the Commission sent a Notice of Hearing to Applicant and all offsetting operators in the field setting a hearing date of December 3, 2019.
5. Gas Leases 08-286923, 08-286995, 08-286996, and 08-287014, Well Nos. 6H, 7H, 8H, and 9H respectively, are completed in the Phantom (Wolfcamp) Field and share a common flare stack pursuant to a surface commingling permit 08-8772.
6. The Commission granted prior exceptions to Statewide Rule 32 at rates and time periods listed below:

Previous Flare Exception Permit No.	Commingled Permit No. (if applicable)	Flare Point Name	Previous Exception Authority Type (Admin/Final Order No.)	Previous Exception End Date	Previous Maximum Flare Volume (Mcf/d)	Casinghead Gas or Gas Well Gas
41201	08-8772	CBR 18-19 CFP	Final Order No. 08-0307141	Nov. 6, 2019	1,400 Mcfd	Gas Well Gas

7. In the past two years the wells have flared 1.5% of total gas production or 0.6% Mcf equivalent of total production.
8. The gas from the wells is gathered by Stateline Gathering, LLC and purchased by five different companies.
9. The requested Statewide Rule 32 exception for the flare point under Commingled Permit No. 08-8772 is requested due to high line pressure which is generally limited to a few hours per event. WPX maintains that shutting the wells frequently would result in the waste of reservoir energy and recoverable hydrocarbon liquids.
10. WPX agreed that the Final Order in this 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. Tex. Gov't Code § 2001.051; 16 Tex. Admin. Code §§ 1.42, 1.45.
2. The Commission has jurisdiction in this case. Tex. Nat. Res. Code § 81.051.
3. WPX meets the requirements in Statewide Rule 32 to flare of casinghead gas from flaring points, rates, and time periods listed in the Attachment A.
4. This Final Order is final and effective on the date a Master Order relating to this Final Order is signed. Tex. Gov't Code § 2001.144(a)(4)(A).

Ordering Provisions

It is **ORDERED** that WPX Energy Permian, LLC (942623), be granted an exception to Statewide Rule 32 for the for the maximum volumes and time periods reflected in attached Attachment A and the request for flaring be **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. Matador 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 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 applicant in writing or on the record, **the party has 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 – PROPOSED FLARE EXCEPTION AUTHORITY(IES)

Permit No.	Commingle Permit No. (if applicable)	Lease Name, Individual Flare Stacks	Exception Start Date	Exception End Date	Maximum Flare volume (Mcf/d & Mcfm)	Casinghead Gas or Gas Well Gas
41201	08-8772	CBR 18-19 CPF	Nov. 7, 2019	Nov. 6, 2021	1,450 Mcfd 10,150 Mcfm	Gas well gas