

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET NO. OG-19-00001743**

---

**APPLICATION OF WPX ENERGY PERMIAN, LLC (942623) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE LINDSAY 2 CFP AND LINDSAY 9 CFP, PHANTOM (WOLFCAMP) AND SANDBAR (BONE SPRING) FIELDS, LOVING COUNTY, TEXAS, DISTRICT 8**

---

**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 24, 2020, 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 an amendment to the existing two-year exception to Statewide Rule 32 for various leases and wells, to reflect wells' reclassification from oil to gas well.
2. The Final Order in Oil and Gas Docket No. 08-0309279 authorized flaring of 1,000 thousand cubic feet per day ("Mcf") between March 1, 2018 and March 1, 2020 from the Lindsay 2 Lease, Well Nos. 3H and 4H.
3. The Final Order in Oil and Gas Docket No. 08-0314813 authorized flaring of 6,300 Mcf between October 12, 2018 and October 12, 2020 from the Lindsay 9 Lease, Well Nos. 1H, 3H, and 4H.
4. Well Nos. 3H and 4H, Lindsay 2 Lease, and Well Nos. 1H, 3H, and 4H, Lindsay 9 Lease, have been administratively reclassified from oil to gas wells.
5. Over the course of the current flaring exception the wells on the Lindsay 2 Lease have flared 40.3% of the total gas production.
6. Over the course of the current flaring exception the wells on the Lindsay 9 Lease have flared 15.2% of the total gas production.

7. On October 25, 2019, WPX requested a hearing for an amendment to the existing exceptions to Statewide Rule 32 for subject leases and wells in the Phantom (Wolfcamp) Field, Loving County, Texas.
8. On January 6, 2020, 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 January 24, 2020.
9. The Statewide Rule 32 exception for the two flare points in this application is was originally requested due to high line pressure within the casinghead gas gathering system, which is was generally limited to a few hours per event. Following the reclassification of the subject wells, these routine system upsets continue to occur and are ongoing. WPX maintains that frequent, intermittent shutting-in of wells would result in the waste of reservoir energy and recoverable hydrocarbon liquids. However, the existing flaring exception does not authorize Applicant to flare gas well gas.
10. Amendment to the existing two-year exception is necessary to grant authority to flare gas well gas to address the potential waste of reservoir energy and recoverable hydrocarbon liquids that would otherwise result from routine upsets to the gathering pipeline system.
11. Declines in gas deliverability for the wells on Lindsay 9 Lease have lessened the necessity to flare the volumes authorized by the exiting exception. The existing flaring exception authority for these wells has been amended to reflect a reduction in exception volumes necessary to prevent waste that would otherwise result from routine system upsets.
12. 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 gas well 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**.

The authority is granted, provided all production is reported on the appropriate Commission forms. The operator shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the appropriate Commission required administrative Statewide Rule 32 Exception gas flaring fee for the facility.

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 March 4, 2020**

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures  
affixed by Hearings Division's  
Unprotested Master Order dated  
March 4, 2020)**

**ATTACHMENT A – PROPOSED FLARE EXCEPTION AUTHORITY(IES)**

<b>Permit No.</b>	<b>Commingle Permit No. (if applicable)</b>	<b>Lease Name</b>	<b>Exception Date</b>	<b>Exception End Date</b>	<b>Maximum Flare volume (Mcf/d &amp; Mcfm*)</b>	<b>Casinghead Gas or Gas Well Gas</b>
31506	08-7813	Lindsay 2	March 1, 2018	March 1, 2020	1,000 Mcfd	Gas Well Gas
28508	08-7814	Lindsay 9	Oct. 12, 2018	Oct. 12, 2020	1,700 Mcfd 21,100 Mcfm	Gas Well Gas

\* Mcfm – Thousand Cubic Feet per Month