

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET  
NO. 03-0295063**

**IN THE SOUTHERN BAY (EAGLE  
FORD) FIELD LEE COUNTY, TEXAS**

**FINAL ORDER  
APPROVING THE APPLICATION OF  
VENADO OIL & GAS, LLC FOR  
AN EXCEPTION TO STATEWIDE RULE 32  
FOR THE MCCOWAN UNIT, WELL NO. 2H,  
SOUTHERN BAY (EAGLE FORD) FIELD,  
LEE COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on February 25, 2015, the presiding examiners have made and filed a report and recommendation containing findings of fact and conclusions of law, for which service was not required; that the proposed application is in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein, and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that Venado Oil & Gas, LLC is hereby granted an exception to Statewide Rule 32 the McCowan Unit, Well No. 2H (API No. 42-287-32636) in the Southern Bay (Eagle Ford) Field, in Lee County, Texas. Venado Oil & Gas, LLC is authorized to flare a maximum volume of 150 Mcf per day of casinghead gas from the McCowan Unit, Well No. 2H from December 21, 2014 through December 20, 2015. 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 each well.

Done this 12<sup>th</sup> day of May, 2015.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed  
by Hearings Divisions' Unprotested  
Master Order dated May 12, 2015)**