

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

**OIL AND GAS DOCKET
NO. 01-0301021**

**IN THE AMMANN (BUDA) FIELD,
ZAVALA COUNTY, TEXAS**

**FINAL ORDER
APPROVING THE APPLICATION OF
SN OPERATING, LLC FOR AN EXCEPTION TO
STATEWIDE RULE 32 FOR THE JMH ZAV LEASE,
WELL NOS. 1HB AND 2HB,
AMMANN (BUDA) FIELD, ZAVALA COUNTY, TEXAS,**

The Commission finds that after statutory notice in the above-numbered docket heard on September 14, 2016, the presiding Technical Examiner and Administrative Law Judge (collectively "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 recommendation, 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 SN Operating, LLC is hereby granted an exception to Statewide Rule 32 for the JMH ZAV Lease, (Lease No. 01-18370), Well No. 1HB flare point (Lat: 28.7074, Long: -99.6355), to flare a maximum volume of 1,500 MCF per day, and for the JMH ZAV Lease, (Lease No. 01-18370), Well No 2HB flare point (Lat: 28.7097, Long: -99.6559), to flare a maximum volume of 400 MCF per day. The exception to Statewide Rule 32 shall commence July 31, 2016, and expire July 30, 2018. 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/flare point.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to

further action by the Commission. Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date Commission Order is signed.

Done this 25th day of October, 2016.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed
by Hearings Divisions' Unprotested
Master Order dated October 25, 2016)**