

**RAILROAD COMMISSION OF TEXAS  
HEARINGS DIVISION**

**OIL AND GAS DOCKET  
NO. 8A-0306236**

**IN THE SABLE (SAN ANDRES)  
FIELD, YOAKUM COUNTY, TEXAS**

**FINAL ORDER  
APPROVING THE APPLICATION OF  
RILEY PERMIAN OPERATING CO, LLC  
FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE  
DESPERADO 538 (LEASE NO. 70596) AND THE  
LAZY HORSE 581-600 BATTERY (LEASE NO. 70603),  
SABLE (SAN ANDRES) FIELD, YOAKUM COUNTY, TEXAS**

The Commission finds that after statutory notice in the above-numbered docket heard on September 14, 2017, 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 Riley Permian Operating Co, LLC (Operator No. 712217) is hereby granted an exception to Statewide Rule 32 for the Desperado 538 (Lease No. 70596), and the Lazy Horse 581-600 Battery, (Lease No. 70603), Sable (San Andres) Field, Yoakum County, Texas. Riley Permian Operating Co, LLC is authorized to flare a maximum of 3,000 Mcf of casinghead gas per day for the Desperado 538 (Lease No. 70596), effective October 19, 2017, through April 19, 2019, and a maximum of 3,000 Mcf of casinghead gas per day for the Lazy Horse 581-600 Battery, (Lease No. 70603), effective October 19, 2017, through April 19, 2019. 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 flare point.

Pursuant to §2001.144(a)(4)(A), of the Texas Government Code, and by agreement of the Parties in writing or on the record, **the parties have waived right to file a Motion for Rehearing and this Final Order is effective on the date the Master Order relating to the Final Order is signed.**

Done this 5<sup>th</sup> day of December 2017.

**RAILROAD COMMISSION OF TEXAS**

**(Order approved and signatures affixed  
by Hearings Divisions' Unprotected  
Master Order dated December 5, 2017)**