

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 01-0311078

APPLICATION OF U.S. ENERGY DEVELOPMENT CORP. (875462) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE IRONWOOD LEASE (18636), WELL NOS. B 1EF, B 2EF AND B 3EF, BRISCOE RANCH (EAGLEFORD) FIELD, FRIO COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on July 11, 2018, 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 U.S. Energy Development Corp is hereby granted an exception to Statewide Rule 32 (16 Tex. Admin. Code §3.32) for its Ironwood B Unit facility. U.S. Energy Development Corp is authorized to flare casinghead gas as established in Attachment A to this Final Order.

The authority is granted, provided all production is reported on the appropriate Commission forms. U.S. Energy Development Corp 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 all wells.

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 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.**

Done this 21st day of August 2018.

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotected Master
Order dated August 21, 2018)**

ATTACHMENT A - FLARE AUTHORITY

Facility Name	Well No.	Flare Permit No.	Maximum Daily Flaring Volume (MCF/Day)	Dates of Requested Flaring Authority 2 Year Period	
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Ironwood B Unit Lease, No. 18636	B 1EF B 2EF B 3EF	24329	140	03/09/18	03/08/2020

Note: MCF/Day = Thousand Cubic Feet Per Day