



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL & GAS DOCKET NO. 08-0314817**

---

**APPLICATION OF ANADARKO E&P ONSHORE LLC (020528) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR VARIOUS FLARE POINTS IN THE PHANTOM (WOLFCAMP) FIELD, LOVING, REEVES AND WARD COUNTIES, TEXAS**

---

**HEARD BY:** Richard Eyster, P.G. – Technical Examiner  
Kristi M. Reeve – Administrative Law Judge

**HEARING DATE:** November 1, 2018

**CONFERENCE DATE:** February 5, 2019

**APPEARANCES:** **REPRESENTING:**

**APPLICANT:**

Ana Maria Marsland, Attorney  
David Christian, Consultant

Anadarko E&P Onshore LLC

**EXAMINERS' REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Anadarko E&P Onshore LLC, ("Anadarko") seeks an exception to Statewide Rule 32 (16 Tex. Admin. Code § 3.32) to flare low pressure casinghead ("flash") gas from the 48 flare points listed in Appendix A, in the Phantom (Wolfcamp) Field, Loving, Reeves and Ward Counties, Texas. Anadarko seeks two-year authority to flare casinghead and flash gas from October 30, 2018, through October 30, 2020. The application is not protested and the Technical Examiner and the Administrative Law Judge (collectively the "Examiners") recommend the exception be granted.

**DISCUSSION OF THE EVIDENCE**

Statewide Rule 32 governs the utilization of gas well gas and casinghead gas produced by oil and gas wells under the jurisdiction of the Railroad Commission.

Anadarko's wells are tied into a pipeline, and most of the produced casinghead gas is sold. Anadarko stated that they have the need to flare low pressure flash gas from the water and oil storage tanks at the facilities. Anadarko stated that the flash gas they are requesting to flare is low pressure, usually less than six pounds per square inch ("psi"), which is so low it is uneconomical to capture and compress to the gathering systems' pipeline pressure.

There are also occasional pipeline upsets that will require intermittent flaring to avoid shutting in the wells.

Anadarko obtained administrative flare permits for the five flare points, authorizing the intermittent flaring of flash gas from the tank batteries at various rates through October 29, 2018, for a cumulative period of 180 days. The administrative flare permits were also issued due to intermittent pipeline issues. On August 27, 2018, Anadarko applied for a hearing to extend the flaring exception. Anadarko is requesting to flare the volumes shown in Appendix A due to an ongoing need for intermittent flaring due to system upsets, pipeline capacity issues, and low pressure flash gas.

Anadarko seeks a Commission final order granting two-year authority to flare the volumes shown in Appendix A from October 30, 2018, through October 30, 2020. Anadarko stated that without additional flaring authority they will have to shut the wells in, causing waste and perhaps harm to the reservoir.

### **FINDINGS OF FACT**

1. Notice of this hearing was given to all parties entitled to notice at least ten days prior to the date of hearing. There were no protests to the application.
2. Anadarko applied for a hearing to extend the flaring authority more than 21 days before the administrative permits expired.
3. Anadarko seeks a Commission final order granting two-year authority to flare the volumes shown in Appendix A from October 30, 2018, through October 30, 2020.
4. There is an ongoing need for intermittent flaring due to system upsets, and low flash gas pressure.
5. Without a final order authorizing the flaring, Anadarko will have to shut the wells in, causing waste and possible harm to the reservoir.
6. Anadarko agreed that, pursuant to the provisions of Texas Government Code § 2001.144(a)(4)(A), this Final Order shall be final and effective on the date a Master Order relating to this Final Order is signed.

### **CONCLUSIONS OF LAW**

1. Resolution of the subject application is a matter committed to the jurisdiction of the Railroad Commission of Texas. Tex. Nat. Res. Code § 81.051.
2. All notice requirements have been satisfied. 16 Tex. Admin. Code § 1.42.
3. Anadarko E&P Onshore, LLC has met the requirements in 16 Tex. Admin. Code § 3.32 for an exception to the limitations in that section regarding the requested authority to flare gas produced from the wells connected to the subject flare point.

4. Pursuant to § 2001.144(a)(4)(A) of the Texas Government Code, and the agreement of the applicant, this Final Order is effective when a Master Order relating to this Final Order is signed.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend the Commission enter an order approving the application as requested by Anadarko E&P Onshore, LLC.

Respectfully submitted,



Richard Eyster, P.G.  
Technical Examiner



Kristi M. Reeve  
Administrative Law Judge

## Appendix A

## Phantom (Wolfcamp) Field

Location	Maximum Flare Volume (MCF/DAY)	Previous Permit Approval Expiration	RRC Permit Nos.	RRC Lease Nos. for Associated Permit Nos.	Permit Start Date	Permit End Date
APC FEE1-50 UNIT 2H, 3H, 4H, & 5H	90	11/04/2018	33824	41231	11/05/2018	11/06/2020
AR29 PAD	165	10/29/2018	33763	47807, 47897	10/30/2018	10/30/2020
ASHLOCK 1-34 2H, 3H, 4H, & 5H	75	11/04/2018	33836	41954	11/05/2018	11/06/2020
BANNER 57-1-21 CENTRAL FACILITY	160	10/29/2018	33762	279043, 279225	10/30/2018	10/30/2020
BECKER 6-29 UNIT A 1H (& UNIT B LH)	150	10/29/2018	33779	47995, 283132	10/30/2018	10/30/2020
BETTS 54-4-20 1H	170	10/29/2018	33778	280913, 282762	10/30/2018	10/30/2020
BETTS UNIT 53-4-2 1H	145	10/29/2018	33777	48020, 282916	10/30/2018	10/30/2020
BIG HORN STATE 56-2-9 CENTRAL FACILITY	140	10/29/2018	33775	48326, 279162	10/30/2018	10/30/2020
BIRDIE BELL 54-2-18 LOV 2H	150	10/29/2018	33761	47484, 48523	10/30/2018	10/30/2020
BOND UNIT 3-7 1H	145	10/29/2018	33776	48190, 282695	10/30/2018	10/30/2020
BULLHEAD 55-1-34 UNIT B 1H	270	10/29/2018	33760	48323, 279857	10/30/2018	10/30/2020
CASPER 57-1-47 1H & RED BLUFF 57-38 1H	120	10/29/2018	33774	46471, 276563	10/30/2018	10/30/2020
CODY 56-3-19 UNIT B 1H	75	10/29/2018	33773	48112	10/30/2018	10/30/2020
CORSAIR C26-20 1H/2H/3H	275	10/29/2018	33759	47963	10/30/2018	10/30/2020
CRAVEN UNIT 3-8 1H	150	10/29/2018	33772	282034, 283411	10/30/2018	10/30/2020
DONNELL 54-4-22 1H	185	10/29/2018	33771	47998, 283258	10/30/2018	10/30/2020
ELKHORN 54-1-40 PRODUCTION FACILITY	260	9/09/2018	33208	47304, 49090, 49439, 283696	9/10/2018	9/10/2020
ELKHORN 54-1-44 1H	175	10/29/2018	33758	47005, 48878	10/30/2018	10/30/2020
GREYBULL 55-4-9 1H	130	10/29/2018	33770	48198, 277611	10/30/2018	10/30/2020
HACKER 33-97 1H	85	10/29/2018	33757	282319	10/30/2018	10/30/2020
HALEY 28-43 3H	135	10/29/2018	33756	46453	10/30/2018	10/30/2020
HALEY 29-24 4H & 6H	70	10/29/2018	33755	46547, 48388	10/30/2018	10/30/2020
HUGHES & TALBOT 75-24 #2H	215	10/29/2018	33754	49296, 47295, 48534	10/30/2018	10/30/2020
LOVING F	325	10/29/2018	33752	282999, 283000, 283731	10/30/2018	10/30/2020

Location	Maximum Flare Volume (MCF/DAY)	Previous Permit Approval Expiration	RRC Permit Nos.	RRC Lease Nos. for Associated Permit Nos.	Permit Start Date	Permit End Date
LOVING R	160	10/29/2018	33751	48637	10/30/2018	10/30/2020
LUCKY STRIKE 28-20 #2H	105	10/29/2018	33749	47224, 48622	10/30/2018	10/30/2020
MAKO STATE 2-32 1H	130	10/29/2018	33769	41569, 47631	10/30/2018	10/30/2020
MESQUITE UNIT 2-2 1H CENTRAL FACILITY	235	10/29/2018	33768	47491, 280800, 48311	10/30/2018	10/30/2020
MONROE 34-195 CENTRAL FACILITY	75	10/29/2018	33783	45861, 279406, 279241	10/30/2018	10/30/2020
NANCY COUCH UNIT 3-15 IH	80	10/29/2018	33767	47445	10/30/2018	10/30/2020
OCATILLA STATE 2-40 1H	145	10/29/2018	33766	47313, 49536	10/30/2018	10/30/2020
OLD PARTNER 54-1-30 UNIT A #IH	115	10/29/2018	33748	47095, 48322	10/30/2018	10/30/2020
PACE STATE UNIT 1-37 IH	85	10/29/2018	33765	279274	10/30/2018	10/30/2020
PRICELESS NITRO FACILITY	235	10/29/2018	33747	48662, 48557	10/30/2018	10/30/2020
REED TRUST 55-1-46 #IH	90	10/29/2018	33744	46342, 47515, 48079	10/30/2018	10/30/2020
SHOCK-N-AWE UNIT 29-41 #IH	235	10/29/2018	33746	47089, 49571	10/30/2018	10/30/2020
SIEVERS UNIT 2-33 1H	125	10/29/2018	33790	48069, 48179	10/30/2018	10/30/2020
SIEVERS UNIT 2-39 1H	160	10/29/2018	33789	279253, 279381, 279292	10/30/2018	10/30/2020
SMOKIN JOE 28-41 UNIT A #1H	135	10/29/2018	33745	47297, 48533	10/30/2018	10/30/2020
STRAIN STATE 2-26 1H AND TEMIN 2-27 1H FACILITY	160	10/29/2018	33788	47566, 279175	10/30/2018	10/30/2020
TETON ROTHSCHILD STATE CENTRAL FACILITY	150	10/29/2018	33787	48038, 48368	10/30/2018	10/30/2020
THRESHER 55-1-12 UNIT A Pad B	120	10/29/2018	33782	46825	10/30/2018	10/30/2020
WHEAT TRUST 1-52 PRODUCTION FACILITY	100	10/29/2018	33781	46296	10/30/2018	10/30/2020
WINGHEAD STATE 57-2-48 UNIT PAD FACILITY	195	10/29/2018	33786	279469, 281439, 278988	10/30/2018	10/30/2020
YELLOWJACKET UL UNIT 19-3 14H & 15H	120	10/29/2018	33780	47109	10/30/2018	10/30/2020
JOHNSON RANCH PAD	115	10/29/2018	33753	40751, 49437	10/30/2018	10/30/2020
LINK 1-32 1H/2H/3H/GADDIE 1-31 UNIT 1H/2H/3H PROD FAC	60	10/29/2018	33784	45936, 45967	10/30/2018	10/30/2020
LOVING V FACILITY	280	10/29/2018	33750	48954, 49078	10/29/2018	10/30/2020