

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL AND GAS DOCKET NO. 08-0318782

APPLICATION OF NOBLE ENERGY INC (611665) FOR AN EXCEPTION TO STATEWIDE RULE 32 FOR THE GELTEMEYER 297 LEASE, HOEFS T-K (WOLFCAMP) FIELD, REEVES COUNTY, TEXAS

FINAL ORDER

The Railroad Commission of Texas ("Commission") finds that after notice in the above-docketed case was provided to all parties entitled to notice, a hearing was heard on June 26, 2019 by a Commission Technical Examiner and Administrative Law Judge. This proceeding was duly submitted to the Commission at a conference held in its offices in Austin, Texas. After considering this matter, the Commission adopts the following findings of fact and conclusions of law.

Findings of Fact

1. Noble Energy Inc. ("Noble") seeks a two-year exception to Statewide Rule 32 ("Statewide Rule 32") for authority to flare a maximum of 200 thousand cubic feet per day ("Mcf/d"), limited to 6,000 thousand cubic feet per month ("Mcfm"), of casinghead gas from March 1, 2019, to March 1, 2021, from the flare stack located on the Geltemeyer 297 (48335) Lease ("Lease"), in the Hoefs T-K (Wolfcamp) Field, Reeves County, Texas
2. Noble submitted a request for hearing on the Statewide Rule 32 exception flaring authority on February 19, 2019.
3. Noble was previously granted an administrative exception to Statewide Rule 32 to flare a maximum casinghead gas volume of 200 thousand cubic feet per day ("Mcf/d"), or 6,000 Mcfm, from the Lease under Flare Permit No. 36998, expiring February 28, 2019.
4. On May 15, 2019 the Hearings Division of the Commission sent a Notice of Hearing ("Notice") to Applicant and all offsetting operators in the field setting a hearing date of June 26, 2019. Consequently, the parties received more than 10 days' notice. The Notice contains (1) a statement of the time, place, and nature of the hearing; (2) a statement of the legal authority and jurisdiction under which the hearing is to be held; (3) a reference to the particular sections of the statutes and rules involved; and (4) a short and plain statement of the matters asserted. The hearing was held on June 26, 2019, as noticed. Applicant appeared and participated at the hearing. No one appeared in protest.

5. The gas from the Lease is gathered and purchased by ETC/Regency Intrastate Gas LP ("Regency").
6. Restrictions in capacity and intermittent interruptions result in Regency's pipeline not being able to take 100% of the Lease's gas production.
7. Based on a table of historic Lease gas disposition, the estimated volume of casinghead gas to be flared would be a maximum of 200 Mcfd, limited to 6,000 Mcfm.
8. The requested Statewide Rule 32 exception to flare a maximum of 200 Mcfd, limited to 6,000 Mcfm, of casinghead gas is necessary for Noble to produce the recoverable hydrocarbon liquids from the Lease.
9. At the hearing, Noble agreed on the record that the Final Order in this docketed case is to be final and effective when a Master Order relating to this Final Order is signed.

Conclusions of Law

1. Proper notice was issued to persons entitled to notice. *See, e.g.,* Tex. Gov't Code § 2001.051; 16 Tex. Admin. Code §§ 1.42, 1.45.
2. The Commission has jurisdiction in this case. *See, e.g.,* Tex. Nat. Res. Code § 81.051.
3. Statewide Rule 32 requires gas to be utilized for purposes and uses authorized by law unless authorized. 16 Tex. Admin. Code § 3.32(b).
4. Statewide Rule 32 provides exceptions allowing the flaring of gas if certain requirements are met and the flaring is necessary. *See, e.g.,* 16 Tex. Admin. Code § 3.32(f), (h).
5. Noble has met the requirements in Statewide Rule 32 to flare a maximum of 200 Mcfd, limited to 6,000 Mcfm, of casinghead gas and the flaring of such gas is necessary.
6. Pursuant to the provisions of Texas Government Code §2001.144(a)(4)(A), this Final Order can be final and effective on the date a Master Order relating to this Final Order is signed.

Ordering Provisions

It is **ORDERED** that Noble Energy Inc. (611665) is granted a two-year exception to Statewide Rule 32. Its request for authority to flare a maximum of 200 Mcfd, limited to 6,000 Mcfm, of casinghead gas from the flare stack located on the Geltemeyer 297 (48335) Lease from March 1, 2019 to March 1, 2021, as reflected in attached Attachment A is **APPROVED**.

This authority is granted, provided all production is reported on the appropriate Commission forms. Noble shall file the Statewide Rule 32 Exception Data Sheet and, shall file at the same time, the required fee for a Statewide Rule 32 exception for each individual flare point on the Geltemeyer 297 (48335) Lease. See 16 Tex. Admin. Code § 3.32(h)(1).

Pursuant to § 2001.144(a)(4)(A) of the Texas Government Code and the 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.**

Signed on Aug 6, 2019

RAILROAD COMMISSION OF TEXAS

**(Order approved and signatures affixed by
Hearings Division's Unprotested Master
Order dated Aug 6, 2019)**

ATTACHMENT A – FLARE EXCEPTION AUTHORITY

Permit No.	Commingled Permit No. (If Applicable)	Lease Name, Individual Flare Stacks	Permit Start Date	Permit End Date	Maximum Flare Volume (Mcf/d & Mcf/m)	Casinghead Gas or Gas Well Gas
36988	NA	Geltemeyer 297 Lease (08-48335)	March 1, 2019	March 1, 2021	200 Mcfd 6,000 Mcfm	Casinghead Gas

Note:

Mcf/d = Thousand Cubic Feet per Day

Mcf/m = Thousand Cubic Feet Per Month