



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

OIL AND GAS DOCKET NO. 01-0296646

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**THE APPLICATION OF COMSTOCK OIL & GAS, LP FOR AN EXCEPTION TO  
STATEWIDE RULE 32 FOR THE HUBBERD TB FLARE PT 2, EAGLEVILLE  
(EAGLE FORD-1) FIELD, MCMULLEN COUNTY, TEXAS**

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**HEARD BY:** Paul Dubois – Technical Examiner  
Ryan Larson – Director

**HEARING DATE:** June 30, 2015

**CONFERENCE DATE:** August 25, 2015

**APPEARANCES:**

Dale Miller

**REPRESENTING:**

Comstock Oil & Gas, LP

**EXAMINERS' REPORT AND RECOMMENDATION**

**STATEMENT OF THE CASE**

Comstock Oil & Gas, LP (Comstock) seeks an exception to Statewide Rule 32 [16 Tex. Admin. Code §3.32] to flare gas from its Hubberd Tank Battery Flare Point No. 2 in the Eagleville (Eagle Ford-1) Field. The tank battery is connected to a gas sales pipeline. However, Comstock seeks this authority for flaring on an emergency basis when pipeline capacity and technical issues arise that necessitate flaring to avoid well shut-in. Comstock seeks authority to flare 1,500 thousand cubic feet (mcf) of gas per day until April 1, 2016. The Examiners recommend Comstock's application be granted.

**DISCUSSION OF EVIDENCE**

Comstock currently operates 11 wells on its Hubberd Lease (No. 16026) and 3 wells on its Hubberd "A" Lease (No. 16016). These wells were completed between July 2012 and June 2014, and Comstock does not contemplate additional development in this area. Hydrocarbons produced from these wells are sent to the Hubberd tank battery. Comstock holds a surface commingling permit (No. 01-5478) for these two leases at the Hubberd tank battery. Produced gas is sold into the Regency Field Services pipeline. There are two flare points at the tank battery, nos. 1 and 2. Flare Point No. 1 accommodates four

wells, and Flare Point No. 2 (the subject flare point) serves the other 10 wells.

In April 2015, the two leases produced 41,898 barrels of oil and 43,870 mcf gas. In April 2015, Comstock flared 41 mcf gas from the commingled leases, or about 0.1 percent of the gas produced during the month; most of the gas was sold, used for lease purposes, or sent to a gas processing plant. However, Comstock has had to flare up to 47,800 mcf gas in a one-month period because of pipeline capacity or technical issues.

On April 10, 2014, Comstock received administrative flare permit (no. 16523) to flare 520 mcf gas per day from the Hubberd Tank Battery from April 1, 2014, through May 16, 2014, a period of 45 days. On October 14, 2014, the Commission granted a final order (docket no. 01-0288781) authorizing Comstock to flare 520 mcf gas per day from the Hubberd and Hubberd "A" commingled leases from April 1, 2014 through April 1, 2016 (this final order also authorized Comstock to flare gas from 16 other leases or flare points.) The final order did not specifically identify Flare Point No. 1 or Flare Point No. 2; the final order did, however, only identify one flare point associated with the commingled Hubberd leases.

Comstock later determined that its Hubberd Tank Battery Flare Point No. 2 was not included in the authorization granted in the final order for docket no. 01-0288781. On May 4, 2015, the Commission issued an administrative permit (no. 21912) authorizing Comstock to flare up to 4,500 mcf gas per day from Flare Point No. 2 from May 1, 2015, through June 30, 2015. On May 11, 2015, Comstock requested a hearing to extend the administrative flaring authority until April 1, 2016, which is the expiration date of flaring authority granted in the final order for docket no. 01-0288781.

Comstock believes continued authority to flare is necessary because the existing gas transmission infrastructure is not sufficient to reliably accommodate all of the gas produced from its wells and the wells of other operators in the area. Comstock routinely experiences capacity and technical issues that require gas to be flared or wells to be shut-in. The existing authority for Flare Point No. 1 (520 mcf gas per day) and the requested authority for Flare Point No. 2 (1,500 mcf gas per day) provides Comstock authorization to flare gas as necessary based on current production rates and the period need to flare based on transmission system capacity and technical constraints.

#### **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.
2. Comstock currently operates 11 wells on its Hubberd Lease (No. 16026) and 3 wells on its Hubberd "A" Lease (No. 16016). Flare Point No. 2 serves 10 wells.

3. In April 2015, the two leases produced 41,898 barrels of oil and 43,870 mcf gas. Comstock flared 41 mcf gas from the commingled leases, or about 0.1 percent of the gas produced during the month; most of the gas was sold, used for lease purposes, or sent to a gas processing plant.
4. Comstock has flared up to 47,800 mcf gas in a one-month period because of pipeline capacity or technical issues.
5. On October 14, 2014, the Commission granted a final order (docket no. 01-0288781) authorizing Comstock to flare 520 mcf gas per day from the Hubberd and Hubberd "A" commingled leases from April 1, 2014 through April 1, 2016 (this final order also authorized Comstock to flare gas from 16 other leases or flare points.)
  - a. The final order did not specifically identify Flare Point No. 1 or Flare Point No. 2;
  - b. The final order identified one flare point associated with the commingled Hubberd leases.
6. The Hubberd Tank Battery Flare Point No. 2 was not included in the authorization granted in the final order for docket no. 01-0288781.
7. On May 4, 2015, the Commission issued an administrative permit (no. 21912) authorizing Comstock to flare up to 4,500 mcf gas per day from Flare Point No. 2 from May 1, 2015, through June 30, 2015.
8. On May 11, 2015, Comstock requested a hearing to extend the administrative flaring authority until April 1, 2016.
9. Continued authority to flare is necessary because the existing gas transmission infrastructure is not sufficient to reliably accommodate all of the gas produced from its wells and the wells of other operators in the area.
10. Comstock routinely experiences capacity and technical issues that require gas to be flared or wells to be shut-in.
11. The existing authority for Flare Point No. 1 (520 mcf gas per day) and the requested authority for Flare Point No. 2 (1,500 mcf gas per day) provides Comstock authorization to flare gas as necessary based on current production rates and the period need to flare based on transmission system capacity and technical constraints.
12. Without flaring authority for casinghead gas, Comstock would be required to

shut-in the 10 wells connected to flare point no. 2.

**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 § 1.45
3. The requested exceptions to flare casinghead gas from the subject wells meet the requirements of Statewide Rule 32. 16 Tex. Admin. Code § 3.32(h)

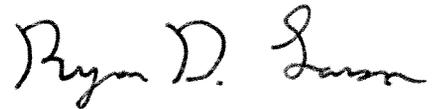
**RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend Comstock Oil & Gas, LP, be granted an exception to Statewide Rule 32 to flare 1,500 mcf gas per day from its Hubberd tank battery Flare Point No. 2, from July 1, 2015 through April 1, 2016.

Respectfully submitted,



Paul Dubois  
Technical Examiner



Ryan Larson  
Director