



# RAILROAD COMMISSION OF TEXAS

## HEARINGS DIVISION

**OIL AND GAS DOCKET NO. 01-0297618**

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**THE APPLICATION OF COMSTOCK OIL & GAS, LP FOR AN EXCEPTION TO STATEWIDE RULE 32, FOR FLARE PERMIT FOR THE SHENKIR TANK BATTERY LEASE, EAGLEVILLE (EAGLE FORD-1) FIELD, LASALLE COUNTY, TEXAS**

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**HEARD BY:** Peggy Laird, P.G. - Technical Examiner  
John Dodson - Administrative Law Judge

**HEARING DATE:** September 17, 2015

**CONFERENCE DATE:** February 3, 2016

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

**APPLICANT:**

Dale Miller

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 the Shenkir Tank Battery Lease in the Eagleville (Eagle Ford-1) Field, LaSalle County, Texas. All offset operators in the subject field were notified of the hearing. There were no objections filed, and no protestants appeared at the hearing. The Examiners recommend the exception to Statewide Rule 32 be granted, as requested by Comstock.

**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. In the subject application, Comstock is requesting to flare gas as provided in Statewide Rule 32(h), for two years from August 20, 2015, to August 20, 2017.

The Shenkir Tank Battery Lease ("Shenkir") is located about 6 miles northwest of Fowlerton, LaSalle County. There are five wells associated with the Shenkir with surface locations in close proximity to each other. The Shenkir was established on November 23, 2014, and gas was flared from September 28, 2014, until February 17, 2015, when all the wells were connected to gas sales via the tank battery.

The Shenkir is connected to a pipeline owned by DCP Midstream, LP, and Comstock contracts with them for gas sales. Gas produced from the wells is sour and requires treatment to remove hydrogen sulfide, which creates periodic operational problems. Comstock is requesting to flare gas from one flare point at the Shenkir as a result of emergency conditions that occur due to mechanical difficulties, pipeline issues, or equipment failure.

Comstock received administrative authority (Permit No.23100) to flare three thousand five hundred (3,500) thousand cubic feet (MCF) of gas per day (MCF/D), or 3,500 MCF/D, from the Shenkir from May 22, 2015, to August 20, 2015. Comstock's request for a hearing to extend the flaring authority was received on July 31, 2015. Comstock is requesting authority to flare 3,500 MCFD from August 20, 2015, to August 20, 2017.

#### **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. The subject wells in this application produce sour gas which requires treatment to remove hydrogen sulfide.
3. All wells have been connected to gas sales via the Shenkir.
4. The Shenkir is connected to a pipeline owned by DCP Midstream, LP, and Comstock contracts with them for gas sales.
5. Comstock has experienced periodic operational problems due to pipeline issues, equipment failure, or mechanical difficulties.

#### **CONCLUSIONS OF LAW**

1. All things have occurred and been accomplished to give the Commission jurisdiction in this matter. Tex. Nat. Res. Code § 81.051
2. Approval of the requested exception to Statewide Rule 32 to flare gas from the Shenkir will not harm correlative rights, and will promote development of the field.

**EXAMINERS' RECOMMENDATION**

Based on the above findings of fact and conclusions of law, the Examiners recommend that the Commission grant an exception to Statewide Rule 32 for the subject wells, as requested by Comstock Oil & Gas, LP.

Respectfully submitted,



Peggy Laird, P.G.  
Technical Examiner



John Dodson  
Administrative Law Judge