RAILROAD COMMISSION OF TEXAS HEARINGS DIVISION

OIL AND GAS DOCKET NO. 06-0327278

APPLICATION OF KUDU MIDSTREAM LLC (OPERATOR NO. 478441) PURSUANT TO STATEWIDE RULE 36 FOR A PERMIT TO DISPOSE OF OIL AND GAS WASTE INCLUDING H₂S INTO A POROUS FORMATION NOT PRODUCTIVE OF OIL OR GAS FOR THE BLAND LAKE AGI LEASE, CARTHAGE FIELD, SAN AUGUSTINE COUNTY, TEXAS

OIL AND GAS DOCKET NO. OG-20-00003358

APPLICATION OF KUDU MIDSTREAM LLC (OPERATOR NO. 478441) PURSUANT TO STATEWIDE RULE 41 FOR A NEW FIELD DESIGNATION FOR THE BLAND LAKE (RODESSA H₂S DISPOSAL) FIELD, SAN AUGUSTINE COUNTY, TEXAS; DISTRICT 06

FINAL ORDER

The Railroad Commission of Texas ("Commission") finds that after statutory notice in the above-numbered dockets heard on October 7, 2020, the presiding Technical Examiner and Administrative Law Judge (collectively "Examiners") have made and filed a report and recommendation ("Report") containing findings of fact and conclusions of law, for which service was not required; that the proposed applications are in compliance with all statutory requirements; and that this proceeding was duly submitted to the Commission at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of this matter, hereby adopts as its own the findings of fact and conclusions of law contained in the Report and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

It is **ORDERED** that a new field designation, pursuant to Statewide Rule 41 (16 Tex. Admin. Code § 3.41), known as the Bland Lake (Rodessa H2S Disposal) Field (Field No. 08816-600) in San Augustine County, Texas, is **APPROVED** for the Bland Lake AGI (Gas ID No. 478441) Lease, Well No. 1.

It is further **ORDERED**, subject to Kudu Midstream, LLC obtaining an injection well permit pursuant to Statewide Rule 9 (16 Tex. Admin. Code § 3.9), that Kudu Midstream, LLC has met the requirements of Statewide Rule 36 (16 Tex. Admin. Code § 3.36) and is hereby authorized to inject fluids containing hydrogen sulfide and carbon dioxide pursuant to Statewide Rule 36(c)(10)(A) for the Bland Lake AGI (Gas ID No. 478441) Lease, Well No. 1 in San Augustine County, Texas. Kudu Midstream, LLC's application for a permit pursuant to Statewide 9 for the above-referenced well is **REMANDED** for administrative consideration.

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 this Final Order is final and effective on the date the Master Order relating to this Final Order is signed.

Signed on April 13, 2021.

RAILROAD COMMISSION OF TEXAS (Order approved and signatures affixed by Hearings Division's Unprotested Master Order dated April 13, 2021)