

## Kellie Martinec

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**From:** Stephen Robertson PBPA <Stephen@PBPA.info>  
**Sent:** Friday, September 23, 2016 8:58 AM  
**To:** rulescoordinator  
**Subject:** Comments on Amend § 3.15 - Inactive wells and return to production  
**Attachments:** PBPA Comments on RRC Amnd. to Sec 3.15.pdf

To whom it may concern,

Please find attached comments submitted by the Permian Basin Petroleum Association concerning the Railroad Commission of Texas' proposed Amendments to 16 Tex. Admin. Code § 3.15 relating to Surface Equipment Removal Requirements and Inactive Wells.

Thank you,

STEPHEN M. ROBERTSON  
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PERMIAN BASIN  
PETROLEUM ASSOCIATION

September 23, 2016

**VIA ELECTRONIC FILING**

Rules Coordinator  
Office of General Counsel,  
Railroad Commission of Texas  
P.O. Box 12967  
Austin, Texas 78711-2967

RE: Proposed Amendments to 16 Tex. Admin. Code § 3.15 relating to  
Surface Equipment Removal Requirements and Inactive Wells;  
Document No. 20-031256

The Permian Basin Petroleum Association (the "PBPA") appreciates this opportunity to comment on the Railroad Commission of Texas proposed rule on Surface Equipment Removal Requirements and Inactive Wells (the "Rule").

The PBPA is the largest regional oil and gas association in the United States. We represent the men and women who work in, as well as those benefited by, the oil and natural gas industry in the Permian Basin of west Texas and eastern New Mexico. Established in 1961, the PBPA's mission is to promote the safe and environmentally responsible development of oil and natural gas resources among its members. The PBPA represents oil and natural gas explorers and producers, as well as the service and supply industries that support their efforts in the largest inland oil and natural gas reservoir and the largest oil and natural gas-producing region in the world.

The PBPA supports the Railroad Commission's proposed amendments to 16 Tex. Admin. Code § 3.15 relating to Surface Equipment Removal Requirements and Inactive Wells. The amendments would reduce the burden to both the agency and the industry. The proactive efforts of the Oilfield Relief Initiative to increase the efficiency of the agency without weakening the agency's ability to protect the environment, public safety, correlative rights or allowing for the wasting resources, are achieved with these common sense amendments and are beneficial to the industry particularly with the current commodity price.

The proposed thresholds allow operators the ability to determine if and when a well is economic to keep producing with less administrative burden. The PBPA believes the amendments will encourage the operation of marginal wells, specifically for smaller operators. However, the reduction in minimum

volumes that classify a well as active, as proposed by the Railroad Commission, will not change the status relative to the lease definitions related to commercial production or paying quantities. The PBPA appreciates the effort to increase efficiencies from the commission.

The PBPA is grateful for the opportunity to comment on the proposed amendments to 16 Tex. Admin. Code §3.15 and supports their adoption. If you have any questions or concerns, please contact the PBPA at P.O. Box 132, Midland, Texas 79702, or (432) 684-6345.

Regards,

A handwritten signature in black ink that reads "Ben Shepperd". The signature is written in a cursive style with a large initial "B" and a long, sweeping underline.

Ben Shepperd  
President  
Permian Basin Petroleum Association