Kellie Martinec

From: Thompson, Matthew <Matthew.Thompson@apachecorp.com>
Sent: Monday, September 26, 2016 2:36 PM
To: rulescoordinator
Subject: Apache Corp. Comments on SWR 3.15
Attachments: Apache Corp comments on SWR 3-15.pdf

Attached please find our comments.

Thank you,
Matt

MATTHEW THOMPSON
MANAGER, GOVERNMENTAL AFFAIRS
direct 713-296-6153 | *mobile* 405-250-9555 | *office* 1512

APACHE CORPORATION
2000 Post Oak Boulevard, Suite 100
Houston, Texas 77056
ApacheCorp.com | LinkedIn | Facebook | Twitter | StockTwits | YouTube

OBIE O'BRIEN
Vice President Government Affairs / Corporate Outreach

September 26, 2016

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

RE: AMEND §3.15 – INACTIVE WELLS AND RETURN TO PRODUCTION

Dear Sir or Madam;

Apache Corporation appreciates this opportunity to comment on the Railroad Commission's proposed rule on Surface Equipment Removal Requirements and Inactive Wells, Statewide Rule 15.

Apache 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 help reduce the reporting and compliance burden to both the agency and the industry while not affecting the Commission's role in protecting the public and the environment. 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, and not with an artificial production threshold. Apache believes the amendments will encourage the operation of marginal wells, specifically for smaller operators. It is important to note that the reduction in minimum volumes that classify a well as active, as proposed by the Commission, will not change the status relative to the oil and gas lease concerning commercial production or paying quantities.

Apache thanks the Commission 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 feel free to contact Apache.

Sincerely,

Apache Corporation

Urban "Obie" O'Brien
Vice President, Governmental Affairs