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Via email

Rules Coordinator

Railroad Commission of Texas

Office of General Counsel

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I independently own and operate a natural gas production company in Texas. I manage several gas wells, the largest of which produces 45 mcf/d.

Rule 3.23 of the Texas Public Finance Code defines a low-producing gas well as one that produces no more than 90 mcf/d. Therefore, I support the proposed changes for Rule 3.65 to increase production thresholds to 250 mcf/d for gas wells. The current production thresholds in Rule 3.65 require that I file production of 15 mcf/day as critical for the January and September CI-D form submittals. However, by the State's definition, all my wells are low producing.

The Commission's memorandum for Rule 3.65's proposed changes addresses the concern that too many critical gas-supplying facilities create a prioritization burden for the electric utilities. It has been said many times since the introduction of Rule 3.65; if everything is critical, then nothing is critical. The proposed threshold increase for Rule 3.65 is a step to ensure that the natural gas truly crucial to powering Texans during an energy emergency is better prioritized.

The threshold increases also help to alleviate the burden of filing the CI-D form for small businesses like mine. I am the sole employee of my company, like many other small operators. Filing form CI-D requires excessive time, and I, and many others, have had continuous difficulties submitting the forms. The proposed changes would relieve the burden put on small operators while still capturing 78.4% of natural gas production, as the Commission has stated.

I am proud to provide natural gas for Texas. Small operators play a vital role in supporting the State and its residents. However, I urge the Commissioners to remember Senate Bill 3's intent is to protect the gas supply demonstrably critical during an energy emergency. The fact that none of my gas wells are on the State's electricity supply chain map indicates my wells are not the subject of S.B. 3's intended regulation.

Thank you,

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