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April 1, 2020

DOCKET SERVICES
RAILROAD COMMISSION
OF TEXAS**VIA EMAIL**

Chairman Wayne Christian
Commissioner Christi Craddick
Commissioner Ryan Sitton
Railroad Commission of Texas
1701 North Congress Avenue
Austin, Texas 78711

c/o Callie Farrar, Commission Secretary
Callie.Farrar@rrc.texas.gov

Re: Oil & Gas Docket No. OG-20-00003167; TO CONSIDER THE MOTION FOR COMMISSION CALLED HEARING ON THE VERIFIED COMPLAINT OF PIONEER NATURAL RESOURCES U.S.A. INC. (665748) AND PARSLEY ENERGY INC. (642652) TO DETERMINE REASONABLE MARKET DEMAND FOR OIL IN THE STATE OF TEXAS

Dear Chairman Christian and Commissioners Craddick and Sitton:

This letter is being sent in full support of the above referenced Motion filed by Pioneer Natural Resources U.S.A, Inc. and Parsley Energy, Inc.

Hibernia Resources III, LLC ("Hibernia") employs thirty-two fulltime team members situated in Houston, Midland and Big Lake, Texas. We also contract with numerous oilfield goods and service providers and have hundreds of such dedicated personnel working on our various locations every day.

Hibernia and its partners have been spending millions of dollars a month to develop our oil and gas assets. This is all coming to a stop over the next few weeks as we can't continue to develop and produce our hydrocarbons at these prices. The development and production of our assets at these current prices is a waste of our capital and a waste of the finite resource.

This decision does not only impact Hibernia and its contractors. Many other individuals and entities will be adversely affected by our inactivity, including but not limited to:

- The mineral owners we partner with
- The millions of dollars of ad valorem taxes we pay on a valuation basis that helps fund education and hospitals in the counties in which we operate.
- The millions of dollars in revenue-based taxes we pay the State of Texas
- The royalty income we pay the University Lands that provides higher education to all Texans



We are firm believers in the free market system and minimal governmental regulation. However, this market has been thrown way out of balance by unprecedented circumstances and we are seeking your partnership in gaining a rationale and temporary rebalancing of the market.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Embry Canterbury", written over a light blue horizontal line.

P. Embry Canterbury
Chief Executive Officer
Hibernia Resources III, LLC