



Via email

Kellie Martinec, Rules Coordinator
Office of General Counsel
Railroad Commission of Texas
rulescoordinator@rrc.texas.gov

Re: Diamondback E&P LLC's Comments on the RRC's Proposed Amendments to Statewide Rule 3.8, 16 TAC Chapter 4, Subchapter A relating to oil and gas waste management

Dear Ms. Martinec:

Diamondback E&P LLC ("Diamondback") submits the following comments to the Railroad Commission of Texas ("RRC") on the proposed amendments to 16 Texas Administrative Code § 3.8 ("Statewide Rule 8").

First and foremost, Diamondback Energy LLC, would like to thank the Railroad Commission Staff for their hard work over the last year and half. They have done a wonderful job at working with industry and the Trades on the proposed amendments to SWR 8.

The following are our concerns with the proposed amendment, and we would like to make the following recommendations.

Division 2 - definitions: pg 10

Commercial facility: please remove "wholly owned"

Concern: using the term "wholly owned" creates limitations with how operators are currently conducting their business. We recommend using "partially owned". We would also like to see this language updated throughout the rule on pg. 10, 14, 17 & 23.

Division 3 – Operations Authorized by rule:

3,000 mg/liter: pg 19

Concerns: Depending on where your operations are in the State, your "freshwater" chlorides are different. Particularly in West Texas, they tend to be higher. Often times, when we drill a freshwater well for makeup water, chlorides exceed 3,000 mg/liter. We would like to see this regulated by the District office so that they can create standards based upon the area of the State where operations are based in.

Groundwater monitoring requirements: pg 30

Concerns: If an operator is using a double lined pit, there is an opportunity for us to create a formal leak detection program and reporting process instead of installing monitor wells. Drilling a monitoring well, roughly costs 10k – 15k per well. If you add in cost to maintain and plug, you are adding more capital expense to every well an operator drills. These wells should be subject to sensitive areas such as wetlands, protected areas, etc. and to commercial operations. These should not be a requirement of drill, reserve, frac or workover pits. Because Diamondback's pits are double lined with leak detection technology, we feel that requiring monitor wells is redundant.

Division 11 – Figures, pg 85 – 87

Concerns: We would like for the three tables removed from the rule and have the District office regulate the appropriate parameters, methods, and limits as to the soil levels by geographical area.

Sincerely,

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