



Occidental Petroleum Corporation

5 Greenway Plaza, Suite 110, Houston, Texas 77046-0521
P.O. Box 4294, Houston, Texas 77210-4294
Phone 713.215.7000

FILED

DEC 07 2015

HEARINGS DIVISION
RAILROAD COMMISSION
OF TEXAS

Railroad Commission of Texas
Attention: Sandra Elliott, Docket Services
P.O. Box 12967
Austin, Texas 78711

December 1, 2015

RE: Docket #20-0298484
Proposed amendments to Texas Administrative Code §3.86 relating to certain procedures for horizontal drainhole wells and conforming amendments to TAC §§3.5, 3.31, 3.38, 3.40, 3.45, 3.51, and 3.52 (the "Unconventional Fracture Treated" or "UFT" proposals)

Dear Ms. Elliott:

Occidental Petroleum Corporation and its operating affiliates, OXY USA Inc., OXY USA WTP LP and Occidental Permian Ltd. would like to enter into the record our strong support for the proposed amendments relating to certain procedures for horizontal drainhole wells as referenced above.

More than a decade of aggressive horizontal drilling has fueled a renaissance of American energy production with Texas leading the way. This experience has also brought about many regulatory challenges, much of which has been addressed in special field rule hearings. The administration of this patch-work of special field rules intended to facilitate horizontal development in vertical regulatory frameworks has become a serious burden for the Railroad Commission staff and operators as well. The UFT proposals are designed to create a more standardized approach to horizontal drilling and the Commission's regulatory practices.

The adoption of the UFT rules will place the Commission on the cutting edge of state regulatory structures with respect to horizontal drilling, and establish a pattern that will serve as an example to regulatory authorities throughout the United States. Procedural efficiencies and the formal adoption of the P-16 Data Sheet will reduce the administrative burden on Commission staff and operators alike. New approaches to allowables and acreage assignments will encourage operators to continue development, maximize production, protect correlative rights and eliminate waste in all fields that receive the UFT designation.

The UFT proposals are the most forward-leaning reforms in recent memory, and will benefit the Railroad Commission, mineral owners, operators and the State of Texas for decades to come.

Please enter this letter of support into the record for the referenced docket.

Sincerely,

Thomas A. Janiszewski
Vice President, Regulatory and Land
Occidental Oil and Gas Corporation