

Kellie Martinec

From: Lisa Lucero <llucero@txoga.org>
Sent: Monday, December 07, 2015 11:49 AM
To: rulescoordinator
Cc: Mari Ruckel; Lisa Lucero; Cory Pomeroy
Subject: Joint Comment Submission for Proposed Rule Amendments to Sections 3.5, 3.31, 3.38, 3.40, 3.45, 3.51, 3.52, and 3.86
Attachments: TXOGA, TIPRO, PBPA, The Alliance - UFT Comments to RRC - 12 7 15.pdf

Attn: Rules Coordinator:

Re: *Proposed Rule Amendments to Sections 3.5, 3.31, 3.38, 3.40, 3.45, 3.51, 3.52, and 3.86 O&G Docket No. 20-0298484*

Attached please find formal joint comments submitted by the Texas Oil and Gas Association (TXOGA); Texas Independent Producers and Royalty Owners Association (TIPRO); The Permian Basin Petroleum Association (PBPA) and The Alliance of Energy Producers (The Alliance).

Please direct your questions or comments to Mari Ruckel, mruckel@txoga.org or (512) 478-6631.

Submitted by:
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December 7, 2015

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Submitted via email to: rulescoordinator@rrc.texas.gov

**Re: Proposed Rule Amendments to Sections 3.5, 3.31, 3.38, 3.40, 3.45, 3.51, 3.52, and 3.86
O&G Docket No. 20-0298484**

Dear Rules Coordinator:

The Texas Oil and Gas Association (TXOGA), Texas Independent Producers and Royalty Owners Association (TIPRO), The Permian Basin Petroleum Association (PBPA) and The Alliance of Energy Producers (The Alliance), commend the Commission for proposing a complement of rule amendments to update and streamline regulations for horizontal development and production.

We appreciate staff's efforts in drafting the proposal and we offer only one minor modification for your consideration as detailed below:

1. §3.86(i)(2)(A)(ii)

Suggestion: Amend the last sentence of (i)(2)(A)(ii) to read as follows:

If the matter is set for hearing on the Commission's motion, the burden of proof will be assigned to the proponents of UFT designation as stated in the Notice of Hearing.

Explanation: The assignment of the burden of proof in a proceeding resulting from a Railroad Commission motion to designate a UFT field is not clear. The burden of proof in any proceeding to change rules governing a field (in this case through UFT designation) should lie with the proponents of the field rule amendment. The suggested revision establishes that the proponent of UFT designation bears the burden of proof.

Again, our associations applaud the Commission for your vision in modernizing regulations so that the Texas will continue to lead the world in the development of oil and natural gas.

Thank you for the opportunity to comment on this important matter. Please direct questions or comments to Mari Ruckel at mruckel@txoga.org or 512.478.6631.

Respectfully Submitted,



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