

November 2, 2023

Rules Coordinator Railroad Commission of Texas Submitted via email

RE: Proposed Changes to 16 TAC §3.8 and §3.57, and 16 TAC Chapter 4

Elevation Resources LLC appreciates the opportunity to share our feedback on the proposed changes to 16 TAC §3.8 and §3.57, and 16 TAC Chapter 4. I am the CEO and part owner of Elevation Resources LLC, Chairman of the IPAA, past Chairman of PBPA, with 20 years of legislative and regulatory engagement, and I've operated in seven states over 40 years.

Thank you for your efforts to protect our aquifers in Texas, vital to human flourishing. My comments are focused on Rule 4.111 - 4.115.

- What problem are we trying to solve with these pit rules? Where has aquifer damage occurred from our current pit rules and drilling cutting onsite burial practices?
- Is the RRC adequately staffed and trained to approve these permits, regulate, inspect and enforce the new rules?
- Is the industry prepared to implement and adhere to them? Is there sufficient capacity to receive, dispose and store drilling fluids and cuttings?
- Regulating freshwater pits is unnecessary and costly.
- The cost is significant to the industry, particularly to small operators drilling vertical wells with salt-based muds, effectively requiring closed loop systems.
- The rule also includes workover and completion pits which are temporary and small volumes. Requesting permits from the RRC for these small and temporary permits will slow down the operator's ability to repair wells and restore production.
- Why apply federal guidelines for underground storage tanks (40 CFR 279 & 280) to temporary pits? UST's have historically caused damage to aquifers, while temporary surface pits for drilling and workovers that have not caused damage.
- The revised temporary pit rules will have an adverse impact on the environment with increased truck traffic, increased diesel consumption and emissions, traffic injuries and fatalities, and ultimate cuttings storage on a site remote from the drillsite. By hauling cuttings, we've negatively impacted the environment and human wellbeing.

Texas is a low regulation, pro-business state, which has made it an economic powerhouse while producing clean and affordable energy. If Texas was a country, we are the 4th largest oil producer in the world. Please do not implement regulations that create unnecessary friction on our continued growth.

Steven H. Pruett President & CEO