

November 3, 2023

Texas Railroad Commission P.O. Box 12967 Austin, TX 78711

RE: Informal Draft Rules to Revise 16 Texas Administrative Code (TAC) §§3.8 and 3.57 and 16 TAC Chapter 4 (Statewide Rule 8)

Dear Commissioners:

Thank you for the opportunity to comment on the informal draft rules amending 16 Texas Administrative Code (TAC) §§3.8 and 3.57 and 16 TAC Chapter 4 (Collectively known as Statewide Rule 8).

Texas & Southwestern Cattle Raisers Association (TSCRA) is the state's oldest and largest livestock and landowner association, with over 26 million members representing more than 4 million head of cattle and 76 million acres of land. The mission of TSCRA is to protect and advance the stewards of land and livestock in the Southwest. Our membership and our mission serve as the basis for our general comments today, and we look forward to providing additional and more detailed comments throughout the formal rule process as well.

TSCRA appreciates the Texas Railroad Commission's (RRC) acknowledgment that the management practices for oil and gas waste need to be updated and appreciate the work that went into crafting these informal rules. While many of the proposed changes provide welcome revisions, there are opportunities to further improve the manner in which oil and gas waste is managed in the State of Texas.

Notice provisions for landowners and surface owners need to be further strengthened and expanded to provide meaningful warnings to those with interests in the land, which will continue after oil and gas production has ceased. Specific and detailed notice for all waste management actions, not only actions requiring a permit, is necessary.

Also, in order for notice to be meaningful, surface owners must be informed about any waste management practice or procedure that results in materials being stored in, transported from, or produced as a result of oil and gas production. This notice must be provided well in advance of any action and provide adequate details about the specific procedures and materials at issue. Neither the amount of time nor the details provided in the current notice provisions are

sufficient, and the formal rule proposals on these items should be expanded beyond what is currently contemplated in the informal draft rules.

In addition to adequate notice, there must be adequate opportunities for surface owners to object to waste management practices and seek meaningful action to stop such practices. Similarly, penalties must be sufficient to deter bad actors in the industry from violating RRC rules and rules established by the Texas Commission on Environmental Quality (TCEQ). The current proposal leaves some of the details about penalties and enforcement to future rule proposals. We look forward to reviewing those and hope the RRC sufficiently disincentivizes noncompliance with both RRC and TCEQ rules and regulations.

TCEQ rules and regulations for natural resources and their protection should generally take precedence over RRC rules, especially on issues of soil and water quality, since TCEQ's primary role is the protection of those resources. Moreover, water, including both groundwater and produced water, must be handled with more specific and detailed regulations to fully recognize the surface owner's interest in this resource.

Furthermore, oil and gas waste must be transported off of the surface owner's property and properly disposed of at a responsible facility. Storage of any oil and gas waste on private property should be rare, and the formal rules should create a process to achieve this goal for the safety of the land, liability protection for the oil and gas producers, and the conservation of RRC resources, which must be expended to ensure stored materials continue to comply with regulations and cause no harm to people or property.

Thank you for your time and consideration, as well as your service to the State of Texas. TSCRA looks forward to continuing a meaningful dialogue with the RRC throughout the formal rule process.

Sincerely,

Arthur Uhl III President

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Texas & Southwestern Cattle Raisers Association