From:	Lauren Spreen
То:	Rules Coordinator
Cc:	Christi Craddick; Wayne Christian; Jim Wright; Paul Dubois; Hutchings, Scott; Fred Shannon
Subject:	Draft Rules for Informal Comment, §3.8 and §3.57, and 16 TAC Chapter 4
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Dear Rules Coordinator,

Waste Management Energy Services (WM) provides a wide array of comprehensive environmental solutions for energy companies operating across the U.S., including the collection, treatment, recycling and disposal of wastewater and drill cuttings, either on-lease or at one of our commercial waste management sites. We have extensive experience in Texas in the Permian Basin and the Eagle Ford Shale, operating eight commercial waste management facilities across those regions.

On behalf of WM, please find below our comments regarding the recently published draft Chapter 4, Subchapters A and B, proposed by the Railroad Commission of Texas (the Commission).

First, WM appreciates the foresight and leadership of the Commission in updating the current 16 TAC 3.8, 3.57, and Chapter 4 rules. The Commission's waste management and water protection rules have not been updated in decades, causing Texas to lag behind industry standards set in other U.S. oil and gas fields. The recently published changes propose the thoughtful management of the many technological transformations deployed in the oil and gas industry in the last few decades, namely hydraulic fracturing and horizontal drilling, that have dramatically impacted the industry's waste management needs.

WM is pleased to see the Commission's improved requirements for the building, maintenance and closure of authorized pits. These pits assist industry in managing waste on-lease, some for long periods of time, and may become the permanent home of the same types of waste found in commercial oil and gas waste disposal and recycling facilities where the requirements greatly exceed those for authorized pits. If waste is to be buried in place, on-lease, it must be managed in a manner that prevents pollution of the state's precious groundwater, one of the highest priorities of the agency.

Further, the Commission's historical internal guidance around permitted commercial disposal and recycling of oil and gas waste will now be reflected in the agency's rules, providing a more transparent, predictable regulatory environment for both industry and the public. With the volume of waste being generated from oil and gas production in Texas today, enhancements to regulation governing the transportation of waste,

including a standardized waste manifest and profile system are necessary for the appropriate tracking of waste from cradle to grave. The proposed new system will better prevent failures to provide important information to waste disposal facilities as well as streamline the reporting of manifest and profile details, ultimately saving regulators and industry time and money as they document waste hauled from a lease to a waste management site.

We believe the Commission is on the right track to ensure companies have the regulatory certainty as well as the flexibility they need to make strides in recycling produced water to potable standard. The changes made across the Commission's waste management and recycling rules will work to better inspire oil and gas recycling for beneficial reuse, a necessary shift in industry's management of its waste.

Overall, the proposed changes to 16 TAC 3.8, 3.57, and Chapter 4 rules will bring Texas in line with the state's oil and gas industry standards and better ensure our environment and freshwater resources are protected as the production of Texas oil and gas continues to grow. This strong regulatory shift is the kind that will provide the foundation for the longevity of this important industry. WM has come to expect nothing less from the RRC, and we greatly appreciate the work of the Commission in addressing these important issues.

If you should have any questions, I can be reached directly at <a href="mailto:shutchin@wm.com">shutchin@wm.com</a>.

Sincerely,

Scott Hutchings WM, Director Government Affairs