



H&L EXPLORATION COMPANY, LLC

October 14, 2024

The Honorable Christi Craddick, Chairman
The Honorable Wayne Christian
The Honorable Jim Wright
Railroad Commission of Texas
P.O. Box 12967
Austin, Texas 78711-2967

Re: Propose Changes to
Rule 8 – pit regulations

Dear Commissioners:

As a small producer in the Texas Panhandle, I encourage you to reject the changes to Rule 8 regarding pit regulations. If it ain't broke, don't fix it.

If there were issues with groundwater contamination, it would be no more apparent than in the Texas Panhandle where irrigation and oil and gas operations have co-existed for more than 80 years. If there are issues with it, then we need to address them, but if it's just another case of covering some 'implied liability', then this is just a colossal waste of money, a commodity which operators are desperately short of.

Small operators are hanging on by their fingernails with few at the RRC showing much interest in their future. Case-in-point would be the monopoly DCP and Energy Transfer enjoy in District 10.

Where on earth could you find a contract so predatory that it allows the so-called transporter of *your product* to net \$24,700 while you, the operator, *who bore all the risk*, nets \$9400? Besides shorting the state and counties of tax revenue, nonsense like this always leads to future shortages, as history attests.

Finally, piling on more pointless, counter-productive, and expensive regulations in no way reflects the spirit of entrepreneurship the State of Texas has historically fostered.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Gib Brown', with a long horizontal flourish extending to the right.

Gib Brown

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