



May 5, 2020

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

Re: Blue Ribbon Task Force Recommendations for Small Producer Regulatory Relief

Dear Chairman Christian, Commissioner Craddick, and Commissioner Sitton,

As members of the Blue Ribbon Task Force for Oil Economic Recovery, we appreciate the opportunity to address the concerns regarding demand destruction and market impacts of the current COVID-19 pandemic and oversupply around the globe.

For the Commission's consideration, we have put forth a comprehensive approach intended to provide relief to operators in the Texas oilfields and to assist the oil and natural gas industry as they continue the battle to survive these catastrophic circumstances. Like you, we recognize that a strong energy sector is vital to national security and essential to economic recovery during these unprecedented times.

Our review captured items outside of the Commission's immediate jurisdiction and was expanded to include necessary efforts that can be sought from other state agencies, core legislative matters that will be essential to aiding a recovering industry as well as federal issues that should be useful as you interact with the Administration and our Congressional delegation.

We appreciate the robust and proactive actions the Railroad Commission has taken to date to assist all regulated operators and entities to address these dire conditions as effectively and quickly as possible. Specifically, deadline extensions, online processing and electronic submissions/receipts, enforcement discretion and waiver considerations have all been extremely beneficial to the entire industry during this crisis. These tools would not be at the disposal of the RRC without the Legislature supporting stable industry funding and prioritization for information technology modernization. The IT upgrades have been indispensable to managing through this crisis and continued improvements will be essential to recovery.

(continued)

We believe the following specific relief opportunities should be considered for small operators in an effort to further assist them during these challenging times. We thank you again for the opportunity to participate in developing solutions to help our state's economy to recover.

Sincerely,



Todd Staples
President
Texas Oil and Gas Association



Ed Longanecker
President
Texas Independent Producers & Royalty
Owners



Judy Stark
Executive Vice President
Panhandle Producers & Royalty Owners
Association



Ben Shepperd
President
Permian Basin Petroleum Association



Karr Ingham
Petroleum Economist
Executive Vice President
Texas Alliance of Energy Producers



Tricia Davis
President, Texas Royalty Council
President, American Royalty Council



Stephanie Moreno
Executive Director
South Texas Energy & Economic Roundtable



Thure Cannon
President
Texas Pipeline Association