September 6, 2024

Chairman Christi Craddick Commissioner Wayne Christian Commissioner Jim Wright

Re: Statewide Rule 8

Dear Commissioners:

I write to you as a Texas landowner, royalty owner and lifelong advocate of the oil and gas industry. My family owned and operated marginal natural gas wells in North Texas for over 45 years. I worked for my parents from a very young age until I left for college, so I quite literally grew up in this business. And, I have devoted my legal career to it.

There are active oil and gas operations on my land, so I have firsthand experience with reserve pits and the waste practices associated with them. Because of my profession, I know reserve pits (and mud circulation pits) contain benzene, chlorides, chemical-laden drilling fluids, and other harmful substances. I would never allow an operator to permanently (or temporarily) dispose of waste on my land.

I am lucky to have the education and experience required to negotiate leases and surface use agreements that protect my land and groundwater. However, most landowners do not have the knowledge I have, nor do they have the financial means to hire an attorney. And, in many cases, landowners are bound by old agreements negotiated long before the advent of horizontal drilling, when contamination risks were much lower.

I have not encountered a single operator, big or small, that raised a financial or operational objection to closed-loop drilling, which is a requirement on my land. However, one operator did try to convince me that burying drilling waste would actually benefit my land ("it's just ordinary mud, makes great fertilizer!"). I fear this lie has been sold to many of my fellow Texans.

I have closely followed the Rule 8 drafting and comment process. I reviewed the draft rule released last October and have also reviewed the updated draft, published on August 15<sup>th</sup> for public comment. The October draft, while not perfect, significantly strengthened reserve pit requirements by including construction, operation and closure standards.

I was extremely disappointed and surprised to see the Commission has removed virtually all the reserve pit requirements included in the October draft. There are now <u>no</u> protections in the current draft for groundwater or the environment, and reserve pits will therefore continue to be unregulated for the foreseeable future and to the detriment of future generations.

Reserve pits and mud circulation pits must be subject to the same construction, operation and closure standards proposed for produced water recycling pits, and therefore should be Schedule B Authorized Pits rather than Schedule A Authorized Pits.

Finally, it is mystifying to me that landowner notice and consent is not required for permanent burial of waste. Landfarming has required landowner consent for many years- what is the logic behind this inconsistency? Landowners have the right to know what will be buried on their property and the right to object.

Our land is precious, and water is an increasingly rare and vital Texas resource. Both must be protected from the avoidable and inevitable contamination associated with reserve pit waste.

Thank you for your dedication to the stewardship of our great state's environment and natural resources.

Sincerely,

Katherine Williamson Strange