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September 12, 2013

VIA EMAIL

veronica.larson@rrc.state.tx.us

Rules Coordinator
Office of General Counsel
Railroad Commission of Texas
1701 North Congress Avenue
Austin, Texas 78711-2967
Attn: Ms. Veronica Larson

Re: Proposed Amendment to 16 Tex. Admin. Code §3.9, §3.36 and §3.46.

Dear Ms. Larson:

Anadarko Petroleum Corporation ("Anadarko") respectfully offers the following comments in response to the most recently circulated informal draft modifications to Statewide Rules 9, 36 and 46.

Comment regarding notice provisions.

Anadarko respectfully objects to the proposed expansion of the notice provisions of the current rules and the resulting expansion of requirements applicable to the area map and table of wells submitted with each application. The Commission's existing notice provisions appropriately ensure that notice is provided to parties that could be affected by an individual application for authority to operate under Rule 9, 36 or 46. The modified language is unnecessary and internally inconsistent when applied. For example, the definition of "affected party" in both the existing rules and in the proposed modifications states that a party is an affected party if they "may suffer actual injury or economic damage other than as a member of the general public or as a competitor." Operators of actual wells meet this definition. Groundwater districts are not affected parties under this standard. In addition, the proposed modification of the rules relating to the definition of "owner of record" appears to unintentionally expand the kinds of public records an applicant must now investigate to identify all affected parties. Anadarko is unaware that there has been any problem identified with applicants failing to understand the term "affected party" or "public record." To the extent that the current rule provisions allow an operator to use any or all of the real property or probate public records available as the basis for a service list, that flexibility should be retained. Finally, Anadarko suggests that the rules allow an applicant to submit an application within 90 days of

notice by publication. In Anadarko's experience, the process for notice by publication takes more than 30 days to complete.

Comment regarding requirement to run open hole logs.

Anadarko strongly objects to the proposed modifications seeking to add an obligation on applicants to log injection wells from surface to total depth. Anadarko has reviewed its data and such a requirement would be cost prohibitive. Anadarko estimates that each such log will cost a minimum of \$100,000. In addition, many operators drill large holes for injection wells which would be difficult to log. Offset log data is reasonable and reliable, and Anadarko is unaware of any problems identified with such reliance under the current rules.

Anadarko further requests deletion of the reference to "orphaned" wells in the proposed amendments. To the extent a well is identifiable from public records as plugged or unplugged, "orphaned" wells are subsumed within one or the other subset and applicants are already obligated to include available information in an application under Statewide Rule 9, 36 or 46. The term "orphaned" is confusing and unnecessary. Under the current rules, if the Commission concludes that an existing well (plugged or unplugged) may constitute a path for the migration of fluids from the injection interval, it is already authorized to deny the permit application. It can, moreover, review, modify, revoke or rescind any permit after it has been granted, if an existing well becomes, or threatens to become a path for migration of injected fluids. Identifying wells as "orphaned" does not enhance this existing process.

Comment regarding geological requirements in Statewide Rule 9.

Anadarko respectfully requests that the following italicized modification to proposed language in Statewide Rule 9(c)(1):

Unless otherwise authorized by the Commission, the applicant shall show that such geologic separation consists of a minimum of 250 feet of impermeable strata between the base of usable-quality water and the top of the injection interval and that the 250 feet of impermeable strata includes at least one zone with a continuous thickness of 100 feet. In addition, the applicant shall show that there is a minimum of 100 feet of continuous impermeable strata between the base of the deepest underground source of drinking water and the top of the injection interval.

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Anadarko appreciates the opportunity to provide the Commission additional input and comments. If you have any questions or require additional information, please feel free to contact me.

Sincerely,



Ana Maria Marsland-Griffith

AMMG/kp