

BEFORE THE CORPORATION
COMMISSION OF THE STATE OF
OKLAHOMA

IN THE MATTER OF AN EMERGENCY)
RULEMAKING OF THE OKLAHOMA)
CORPORATION COMMISSION)
AMENDING OAC 165:10, OIL AND)
GAS CONSERVATION)

Cause No. RM 201700009

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CORPORATION COMMISSION
OF OKLAHOMA

PUBLIC COMMENT

of

Oklahoma Oil & Gas Association

August 8, 2017



BEFORE THE CORPORATION COMMISSION OF THE STATE OF OKLAHOMA

TO: Chair Dana Murphy, Oklahoma Corporation Commission
Vice Chair Todd Hiett, Oklahoma Corporation Commission
Commissioner Bob Anthony, Oklahoma Corporation Commission

CC: Tim Baker, Director of Oil & Gas Conservation Division; Virginia Hullinger,
Technical Manager; Susan Conrad, Deputy General Counsel; Brenda Loggins

FROM: Arnella Karges, Executive Vice President of OKOGA

DATE: August 8, 2017

SUBJECT: Public Comment in the Matter of an Emergency Rulemaking of the Oklahoma
Corporation Commission for Senate Bill No. 867, Amending OAC 165:10, Oil and
Gas Conservation in Cause No. RM 201700009

PUBLIC COMMENTS

The Oklahoma Oil & Gas Association (OKOGA) submits the following public comments to the Oklahoma Corporation Commission (OCC) in consideration of Proposed Emergency Rules for Title 165, Corporation Commission, Chapter 10, Oil and Gas Conservation, dated July 27, 2017.

The Oklahoma Oil & Gas Association, founded in 1919 as the Mid-Continent Oil & Gas Association, is the oldest energy trade association in the United States. Nearly a century later, the association remains dedicated to the advancement and improvement of the oil and natural gas industry within the state of Oklahoma and throughout the nation. It is a non-profit association composed of oil and natural gas producers, operators, purchasers, pipelines, transporters, processors, refiners, marketers and service companies which represent a substantial sector of the oil and natural gas industry within Oklahoma. The activities of OKOGA include support for legislative and regulatory measures designed to promote both the well-being and best interests of the citizens of this state and a strong and vital petroleum industry within the State of Oklahoma and throughout the United States.

OKOGA submits these comments but reserves the opportunity to submit additional comments prior to the deadline for written comments on August 15th.

OCC Proposed Emergency Rules for 165:10 – Oil and Gas Conservation
(in Cause No. RM 201700009)

165:10-3-28. Horizontal drilling
(b) Definitions.

In the revised definition of “Targeted reservoir”, found in 165:10-3-28 (b) (15), on Pages 2-3, there is some question as how “reasonable cause” will be defined or interpreted by the Commission. OKOGA suggests the Commission consider “reasonable cause” to essentially mean ‘good cause’ in a showing to be granted more than one common source of supply by the Commission.

The phrase, “reasonable cause” is also utilized in other places in Senate Bill No. 867. OKOGA asks the Commission to consider how this phrase will be interpreted for consistency.

In the definition of “Terminus”, found in 165:10-3-28 (b) (16), on Page 3, OKOGA requests that the new language of “in the targeted reservoir” be removed to restore the traditional and correct definition of this term. As used in these rules, the definition of “terminus” is to apply to all horizontal wells, as specified in 165:10-3-28 (a) Scope, not just multiunit horizontal wells in targeted reservoir(s).

OKOGA sincerely appreciates the efforts of the Oklahoma Corporation Commission and the Oil and Gas Conservation Division to efficiently develop and appropriately limit the scope of the proposed emergency rules to achieve timely implementation of SB 867.