



August 15, 2017

Ms. Susan Conrad
Attorney
Oklahoma Corporation Commission
2101 North Lincoln Boulevard
Oklahoma City, OK 73118

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CORPORATION COMMISSION
OF OKLAHOMA

RE: OAC 165:5 & 10 Oil and Gas Emergency Rulemaking actions

Ms. Conrad:

The Oklahoma Independent Petroleum Association (OPIA) respectfully submits the below comments in response to the Oklahoma Corporation Commission (OCC) emergency rules for OAC 165:5 and 10, Oklahoma's Oil and Gas regulations.

OPIA represents approximately 2,300 small to large independent operators that are primarily involved in the exploration and production of crude oil and natural gas in the state. In addition, we represent a number of companies which provide services that support exploration and production activities. "Independent" producers are non-integrated companies which receive the majority of their revenues from production at the wellhead. They are exclusively in the exploration and production segment of the industry with no marketing or refining operations as compared to large, integrated, major oil and gas companies. Independent oil and gas companies range in size from large companies with thousands of employees to hundreds of smaller "mom and pop" type companies. In Oklahoma, independent producers make up the majority of the energy industry, producing 96% of the state's crude oil and 88% of the state's natural gas.

OPIA has reviewed the language proposed by the OCC and believes that the proposal meets our position that the rules must reflect the intent of SB 876. We thank the staff of the Commission for its efforts in this matter and thank them for completing this task on such an abbreviated timeline.

Should the Commission consider including the (k) proposal of Mr. John Reeves, however, OPIA would oppose such an addition as adding unnecessary regulatory burden and cost to operators.

As always, if you have any questions, I am available for further input.

Respectfully,

Anthony J. Ferrate, JD
Vice President of Regulatory Affairs
Oklahoma Independent Petroleum Association