

Subject: FW: Oil and Gas Allowable Reductions
Date: Wednesday, April 8, 2020 1:19:43 PM

From: Wayne Christian <wayne.christian@rrc.texas.gov>
Sent: Wednesday, April 8, 2020 9:45 AM
To: RRC Conference <RRCConference@rrc.texas.gov>
Subject: FW: Oil and Gas Allowable Reductions

From: Mark Stanger <mark@banner-resources.com>
Sent: Tuesday, March 31, 2020 10:33 AM
To: Wayne Christian <wayne.christian@rrc.texas.gov>
Subject: Oil and Gas Allowable Reductions

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Mr. Christian,

I am asking you to and support the RRC to set reduced market based allowables for oil and gas production in Texas. This is the only way to achieve a fair and equitable treatment to all interested parties that include producers, mineral owners, service companies, banks and all of the small businesses, employees and families that depend on the energy industry. I understand proponents are concerned about ensuring we have a free market. However currently we do not have a free market. We have a war going on with an enemy that is strangling our nation and the world. That enemy will ultimately be defeated however we need to ensure that we have a healthy economy and country when this war is over. The Texas RRC can do its part to ensure that this war is won on all fronts including having as healthy an energy industry as possible. I am also concerned about the inequities that will be involved in how oil and gas is purchased. This type of environment can lead to too discrimination and potential profiteering in the marketplace. This price collapse also affects the tax revenues of the state that help support the people of this state. Severance taxes, sales taxes and advalorem taxes are important to many parties who are not in the industry and they need to be protected as well. Many of the hospitals and government agencies that are fighting this war on the front lines are partially funded by revenues from the energy industry.

After normal market demand comes back into place there will be a decision of what oil and

gas wells should be producing, but it needs to take place in a rational normal market demand environment. Not in the situation we are in now.

I encourage your continued leadership in the RRC and I am hopeful that other states will follow the lead of the State of Texas along with you for the good of our country.

Thank You

Mark Stanger
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