



PERMIAN BASIN
PETROLEUM ASSOCIATION

The Standard

Vol. 3, Issue No. 19

PBPA

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**YOUR VOTE
COUNTS**

YOUR VOICE MATTERS
FOR MORE INFORMATION VISIT:
WWW.VOTETEXAS.GOV
WWW.NMVOTE.ORG

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PBPA



Members,

Each and every election is an opportunity to have your voice heard, and perhaps none may be more important than this year's election. From state houses to the White House, decisions that will impact domestic energy are on the ballot, and we encourage you to have your vote, and your voice, counted!

In Texas, early voting has already begun and continues until October 30, 2020, with Election Day on Tuesday, November 3, 2020. For more information, visit www.VoteTexas.gov.

In New Mexico, early voting also continues through October 31, 2020, and Election Day is Tuesday, November 3, 2020. For more information, visit www.NMVote.org.

Here is what else you'll find in this issue of The Standard:

- **OCD's Final Proposed Rule on Methane**
- **RRC:**
 - **Rulemaking Proposals for Chapters 12, 13, 14 and 15**
 - **Webinar: Online CASES Portal**
 - **Extension of Certain Deadlines**
 - **Pipeline Mileage Fee Courtesy Notice**
 - **Merchant Fee Changes**
- **TCEQ "Find it and Fix it" Initiative**
- **MOTRAN Breakfast hosting Nextlink**
- **PBWMC Charity Clay Shoot**
- **API Webinar: Managing Change**
- **New Mexico EnergyPlex Conference**
- **UTPB GiE Conference**

Lastly, PBPA greatly appreciates the support and the engagement we've received from our members during what has been a very tough year for many in the industry. We couldn't have the success we've had without that support. As we turn to the final quarter of 2020, and as many are preparing for what's to come in 2021, we know being a member of the PBPA is a choice, and we hope you continue to stand with us.

Now, more than ever, there exists global uncertainty and it is paramount that we champion and protect the efforts of our member companies to keep America and its allies energy secure through sensible policies that encourage domestic energy production.

Starting in November, you'll be receiving requests from us to renew your membership. Help us continue to champion and protect the oil and gas industry of the Permian Basin by renewing your PBPA membership for 2021.

The PBPA continues to help its member's wage the battles that few if any of us could fight on our own. These efforts have ensured a regulatory and legislative framework that protects your right to operate and our efforts have successfully protected that right time and time again. Our strength comes from your willingness to take a seat at the table in our combined efforts and we need your voice at the table again in 2021.

As always do not hesitate to reach out if you have any questions or if we may be of service.

Regards,

Ben Shepperd



Regulatory Updates



Last week, the New Mexico Energy, Minerals and Natural Resources Departments' (EMNRD) Oil Conservation Division (OCD) announced the release of its final proposed rules looking to establish a regulatory framework to secure reductions in oil and gas sector emissions and to prevent natural gas waste from new and existing sources. The proposed final rule is attempting to satisfy, in part, Governor Lujan Grisham's Executive Order 2019-003. The New Mexico Environment Department is also working on rules to satisfy Governor Lujan Grisham's Executive Order, but has not released a final proposed rule at this time. A press release from OCD on their final proposed rule can be found [here](#).

PBPA is reviewing the OCD's final proposed rule through our Regulatory Practices Committee and is in the process of preparing comments on this rule for the formal rulemaking hearing. If you are interested in helping with this review and drafting or have any questions, please contact Stephen Robertson at stephen@pbpa.info.



Rulemaking Proposals for Chapters 12, 13, 14 and 15

At its open meeting on October 20, 2020, the Railroad Commission of Texas (RRC) proposed rulemakings in four chapters. The proposals will be published in the Friday, November 6, 2020, issue of the Texas Register. The PDF versions of the proposals are available at the link below.

In Chapter 12 (Coal Mining Regulations), the Commission proposes amendments to update references to federal regulations and to make other clarifying changes. The comment deadline for the Chapter 12 proposal is Monday, November 23, 2020, at 5:00 p.m.

In Chapters 13 (CNG Safety Rules) and 14 (LNG Safety Rules), the Commission proposes amendments, repeals, and new rules regarding the adoption by reference of NFPA standards, changes pursuant to HB 2127 (86th Legislative Session), and other clarifying changes. The comment deadline for the Chapters 13 and 14 proposals is Monday, December 14, 2020, at noon.

Finally, in Chapter 15 (Alternative Fuels Programs), the Commission proposes the repeal of the remaining rules in the chapter pursuant to HB 1818 (85th Legislative Session). The comment deadline for the Chapter 15 proposal is Monday, December 14, 2020, at noon.

For more information on these and other rulemakings, or to access the online comment form for any proposed rulemakings, please see the Proposed Rules table at this link: <http://www.rrc.texas.gov/general-counsel/rules/proposed-rules/>

RRC Hosts CASES Online Portal Webinar on November 4

The RRC will host a free webinar to inform and train the energy industry and public on the Case Administration Service Electronic System (RRC CASES). The webinar will be held from 2 p.m. – 3:30 p.m. on Wednesday, November 4, 2020.

Since April 1, RRC CASES allows operators to file documents in pre-established cases and dockets online and the public can go online and access documents in the RRC's hearings process. Users can search hearings dockets using a variety of criteria including case number, operator name, or RRC district.

The webinar will cover a variety of topics, including how:

- users can search and view cases in the online portal;
- people requesting documents through the open records process can now view the information in RRC CASES;
- parties to a docket or their representatives can upload filings and download a file-stamped copy from their offices without having to use regular mail or make a trip to the RRC;
- RRC coordinates oil and gas, gas utilities, surface mining and enforcement cases within the RRC's jurisdiction using the online portal; and
- to pay penalties assessed for enforcement violations using the online portal.

For more information or to register, visit <https://rrc.texas.gov/hearings/rrc-cases-webinar/>.

Extension of Certain Deadlines

The RRC Oil and Gas Division issued a new Notice to Operators that extends the deadline for certain expirations and filing requirements. The new Notice extends the deadline from RRC's April 4, 2020 Notice from September 30, 2020 to December 31, 2020.

The new Notice to Operators can be found at this link: https://rrc.texas.gov/media/59773/og_notice-to-operators_extensionexpirationfilingrequirement_9-29-2020.pdf.

Pipeline Mileage Fee Courtesy Notice

The RRC has provided a courtesy notice to help pipeline operators prepare for the **2021 pipeline mileage fee** that is due **April 1, 2021**. For information about this fee, please reference Texas Natural Resource Code §81.071 and 16 Texas Administrative Code §3.70.

The annual mileage fee is calculated using pipeline permit mapping information supplied by the operator. The miles in each permit of Group A and Group B pipelines respectively, are added together and rounded up to the nearest mile. The sum is used to calculate the annual mileage fee.

Operators will use the number of miles permitted as of **December 31, 2020** to calculate their 2021 pipeline mileage fee. The deadline for payment without incurring late penalties is **April 1, 2021** and can be paid through the Pipeline Online Permitting System (POPS) starting on January 1, 2021.

Operators may review the preliminary mileage chart showing their permits for which a fee is owed by visiting the RRC website at <http://www.rrc.texas.gov/pipeline-safety/pipeline-fees/> and selecting "Mileage Chart - 2021" under "Helpful Links".

If an operator believes there are errors on the mileage chart, they should submit permit amendments as soon as possible to the RRC to ensure the mileage used to calculate the fee is accurate. **Only changes submitted by December 1, 2020 are guaranteed to be corrected before the final chart is added to the RRC website on December 31, 2020.**

All mileage fees are required to be paid through POPS in the RRC Online System. To view the POPS User Guide, visit the RRC website at <http://www.rrc.texas.gov/pipeline-safety/pipeline-fees/> under "Helpful Links".

Please note that this notice and all future notices will be emailed to pipeline operators using the email addresses on file in POPS. To ensure receipt of important communications from the RRC, pipeline operators must maintain a current email address in POPS.

For additional information, contact the RRC at 512-463-6802 or pops@rrc.texas.gov.

Merchant Fee Charges Now Apply to Credit Card Payments Sent to RRC

Effective no later than January 1, 2021, there will a 3% merchant fee charge for credit card transactions processed by the RRC for credit card payments received by the agency via mail, or payments made in-person or via phone calls with Central Records.

These include payments, surcharges and registrations for:

- drilling permit applications;
- pipeline safety related fees;
- groundwater protection determination requests;
- applications for statewide rule exceptions;
- alternative fuels company licensing, individual certifications and compliance forms;
- agency workshops, conferences, and other event registrations;
- renewal of the Form P-5, *Organization Report*; or
- other transactions with the RRC.

The merchant fee charge does not apply to online credit card payments, which will continue to have the convenience fee of 2.25% of the amount owed to RRC + 26 added cents.

If there are any questions about payment fee charges, email the RRC at Publicassist@rrc.texas.gov.



The Texas Commission on Environmental Quality (TCEQ) is rolling out a “Find It and Fix It” initiative for oil/gas owners/operators in Permian Basin counties. The event will go live on November 2, 2020.

This initiative will provide owner/operators that want to actively address potential compliance issues the opportunity to come within enforcement discretion. It is important to note that this program is separate from the Texas Environmental, Health, and Safety Audit Privilege Act (Audit Act). Owner/operators can participate in the program in one of the following ways:

1. **Invited:** regulated entities can respond to a notification from the TCEQ regarding a potential emissions event misclassification; or
2. **Self-Identification:** regulated entities can submit a request to participate in the program by submitting a request to the relevant TCEQ regional office

On October 22, 2020, the TCEQ will announce the virtual Oil & Gas workshops and begin issuing Compliance Alerts. The alerts will be posted on the TCEQ’s website, distributed via Oil & Gas listservs maintained by TCEQ, and sent to trade organizations like PBPA. TCEQ will also host virtual workshops for the initiative that are on the following dates and will discuss specific topics. All of the workshops will be recorded and available through the TCEQ website.

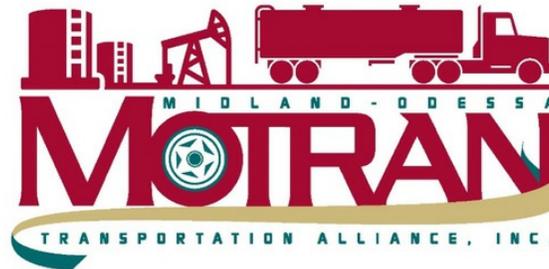
- **November 5, 2020:** virtual workshop to discuss evaluating routine events and upsets
- **Week of November 9:** virtual workshop to discuss air authorizations for oil and gas

operations

- **Week of November 16:** virtual workshop to discuss “Find It & Fix It” initiative and Texas Self Audit Program



Events in the Community



Please join MOTRAN for a breakfast on Friday, October 30th at the Odessa Marriott Hotel and Conference Center with Kyle Towns, Vice President of Corporate Development at Nextlink Internet.

Nextlink is an Internet Service Provider that started in the North Texas area and over the last 8 years has developed a huge coverage area in Texas, Oklahoma, Nebraska, and Illinois. In 2018, they received a \$281 million CAF grant (Connect American Fund) and are in the process of expanding service throughout the Permian Basin, including rural areas of Midland and Ector Counties. Nextlink serves business/commercial and residential customers.

This meeting is aimed at area developers, builders, as well as, business and community leaders to help introduce them to this new service provider to our area and learn more about their services and planned improvements in the area.

Friday, October 30th -Beginning at 8am
Odessa Marriott Hotel and Conference Center
305 E 5th Street
Odessa, Texas 79761

BREAKFAST PROVIDED - NO CHARGE TO ATTEND
PLEASE RSVP BY OCTOBER 27th
By Email Reply to james@motran.org
or by Phone to the MOTRAN Office at (432) 563-6240

Permian Basin Water Management Council's Charity Clay Shoot

The Permian Basin Water Management Council will host its Charity Clay Shoot on Thursday, November 5, 2020, and the event will benefit the Salvation Army. For more information, [click here for a flyer](#).

Overview of scheduled events:

- Meet & greet, doors open 11am
- Lunch starts at noon.
- Legislative discussion/updates 12:30pm-2pm
- Salvation Army presentation 2pm-2:15pm
- Adjourn council meeting and get ready for the shoot
- Range safety orientation and team assembly: 2:30-3:00pm
- Charity benefit shoot begin 3:00pm. Sponsored teams shoot sporting clays.



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Hosted by

HART ENERGY

Managing Change Within Your Organization and On-site (MOC)

Discover API's Process Safety Site Assessment Program (PSSAP) for an in-depth look at MOC across the industry

Complimentary Webinar

Thursday, November 10 | 12PM - 1PM CST

[REGISTER TODAY](#)

Join this webinar to learn from over 70 API Process Safety Site Assessment Program (PSSAP) assessments over the past 8 years on Management of Change programs. The learnings will include an overview of the industry performance against the API PSSAP Management of Change (MOC) Protocol. The MOC discussion will include common industry weaknesses and specific MOC program strengths.

A graphic with a blue and green geometric background. At the top, it says 'Save The Date' in large white letters. Below that, on the left, is a white square containing the logo for the '4th Annual New Mexico EnergyPlex Conference'. The logo features a circle of grey and green dots around the text. To the right of the logo, it says 'November 13, 2020' and 'Free, Virtual Event' in white text. Below that, it says 'More Details to Follow' and 'The conference will include an update on the State of the EnergyPlex, Election Updates, and a Legislative Preview' in white text. At the bottom, it says 'For more information, visit www.EnergyPlexConference.org' in white text.

Save The Date

November 13, 2020
Free, Virtual Event

More Details to Follow

The conference will include an update on the State of the EnergyPlex, Election Updates, and a Legislative Preview

For more information, visit www.EnergyPlexConference.org

The 4th annual New Mexico EnergyPlex Conference will be held November 13th, 2020. For the health of attendees and participants, this year's free event will be held virtually. Additional information, logistics, and registration information will follow soon.

Lea County is the EnergyPlex.

Tougher than the Times.

As we all know, much has changed in Lea County since the last EnergyPlex Conference in 2019. However, that does not change Lea County's economic and diversification potential and vast human capital and spirit. This year's EnergyPlex Conference will focus on the EnergyPlex and how Lea County is tougher than the times.

Contact the EDCLC at (575) 397-2039 or visit EnergyPlexConference.org for more information.



Girls in Engineering Conference

Theme: Opportunities and Challenges For Women in Engineering Field

For Junior, Middle and High School Students

VIRTUAL SESSION

November 14th, 2020

8:00 AM - 12:00 PM

Registration Fee: **\$25** per student

Registration Fee Waiver: Limited Availability

Application Deadline: November 7th, 2020

To register email: ogbuji_b@utpb.edu

Speakers For The Day:

All Speakers are Practicing Female Engineers and Scientists



For More Information Contact
Dr. Bibian Ogbuji (432) 552-3458; ogbuji_b@utpb.edu

