



April 7, 2020

Via Email

Docket Services
Hearings Division
Railroad Commission of Texas
1701 North Congress Avenue
Austin, Texas 78711
Hearingsdivision.efile@rrc.texas.gov

Re: **Oil & Gas Docket No. OG-20-00003167**; To Consider the Motion for Commission Called Hearing on the Verified Complaint of Pioneer Natural Resources U.S.A. Inc. (665748) and Parsley Energy Inc. (642652) to Determine Reasonable Market Demand for Oil in the State of Texas

Dear Chairman Christian, Commissioner Craddick, and Commissioner Sitton:

This letter is being sent to add relevant supporting information in conjunction with Pioneer Natural Resources U.S.A. Inc's request for a market demand hearing.

U.S. Silica Holdings, Inc. is a global performance materials company and last-mile logistics provider and is a member of the Russell 2000 Index. The Company is a leading producer of commercial silica used in a wide range of industrial applications and in the oil and gas industry. Over its 120-year history, U.S. Silica has developed core competencies in mining, processing, logistics and materials science that enable it to produce and cost-effectively deliver over 400 diversified product types to customers across its multiple end markets with a large presence in Texas. The Company currently employs 600 personnel in Texas. The Company previously had 6 fully operational plants and facilities in Texas and currently operates 2 in Texas. The Company is headquartered in Katy, Texas and its Sandbox Logistics subsidiary has separate offices in downtown Houston, Texas.

The Texas oil industry has been an engine for economic growth in Texas and a pillar of national security in the United States. Last year, the industry employed hundreds of thousands of Texans. Texas has historically produced over five million barrels of oil a day. This provides a reliable and efficient source of energy for not only Texas, but the United States.

Today, the Texas oil industry faces two unprecedented challenges: (1) the outbreak of the global COVID-19 pandemic, which has decimated global oil demand, and, (2) a production dispute between Saudi Arabia and Russia, which has resulted in a massive surge in the supply of oil. The

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result is that the global market is being flooded with surplus oil, threatening to overwhelm global storage facilities, and lead to drastically reduced oil prices.

These events have not only created a huge financial impact for oil companies but to the economy in general, numerous small and mid-sized businesses in the supply chain such as U.S. Silica, and thousands of employees. It has impacted our vendors' and customer's businesses, and has resulted in numerous employee furloughs and reductions.

Texas regulators have this opportunity to assist in minimizing these impacts and to compliment the federal government's efforts by considering Pioneer's requests and reviewing all available options to protect jobs, the Texas and American economy, and energy independence going forward.

Respectfully submitted,



Bryan Shinn



CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served via email on the following as 7th day of April, 2020.

Chairman Wayne Christian
Commissioner Ryan Sitton
Commissioner Christi Craddick
Railroad Commission of Texas
1701 North Congress Avenue
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c/o Callie Farrar, Commission Secretary
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