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April 8, 2020

Docket Services

Railroad Commission of Texas

1701 North Congress Avenue

Austin, TX 78711

RRCconference@rrc.texas.gov

RE: Comments on Motion Requesting a Market Demand Hearing and Order by Pioneer Natural Resources U.S.A. Inc. and Parsley Energy Inc. (the "Motion")

To Whom it May Concern:

Please accept these comments from the Texas Land and Mineral Owners Association (TLMA) on the merits of the Motion submitted to the Railroad Commission on March 30, 2020.

TLMA is a statewide advocacy organization that represents approximately 1,000 members who are mineral and royalty owners, landowners, farmers, and ranchers. TLMA members collectively own over 900,000 surface acres and 3,500,000 mineral acres within the State of Texas. Amongst its members, each county within the state is represented.

These are extraordinary times. The combination of the impact of COVID-19 and the oversupply of oil in the world has had a devastating effect on both operators and royalty owners. If the Commission considers re-implementing proration, it should take into account the interest of royalty owners and endeavor to implement it in a fair and even way so that all parties benefit from the effort to prevent waste and protect correlative rights.

Without question, the mechanics of such a critical decision will need to be thought through before full implementation. For example, what will the Commission do about the fate of low producing wells? They are often a critical economic lifeline to parties that depend on their production. It seems an exemption of some sort for these stripper wells would be in order. In addition, there is also the issue of wells that flare a lot of gas. Whatever decision is made should take into account this activity and avoid results that give flaring wells an unfair benefit.

TLMA recognizes the Railroad Commission has the authority to implement proration and that it has done so in the past. It is TLMA's sincere hope that the Railroad Commission considers the interests of royalty owners in its decision.

Thank you in advance for your consideration of our comments.

Sincerely,

A handwritten signature in black ink that reads "Jennifer Bremer". The signature is written in a cursive, flowing style.

Jennifer Bremer
Executive Director
Texas Land & Mineral Owners Association