

From: [REDACTED]
Subject: Clay Doyle comment
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From: Clay Doyle <Clay.Doyle@interbank.com>
Date: Monday, September 30, 2024 at 11:48 AM
To: PubInfo <PubInfo@TexasAgriculture.gov>, Maddison Jaureguito
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Cc: 'Terry Allen' <tallen@fsbctx.com>
Subject: Scheduling an Appointment with Commissioner Miller

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My name is Clay Doyle and I am the Chairman of the Agriculture and Rural Affairs Committee with Texas Bankers Association. I will be in Austin on Friday, October 4th and would like to request an appointment with Commissioner Miller for a meeting that will be no more than a 30-minute time block. I want to deliver a letter to him outlining some rule changes being done by the Railroad Commission that will have negative effects on landowners and agriculture producers.

We need the Commissioner's support to help lobby our concerns with the proposed rule changes of the Railroad Commission to Rule 16 Texas Administrative Code 3.8 aka as Statewide Rule 8. This rule has basically been unchanged since 1984 and is in reference to disposal of oil and gas waste. This rule originated before the invention of fracking and this process created much more waste than traditional drilling methods. Instead of making the rules more stringent to protect Texans, they want to make them more lax in favor of the oil and gas companies. The proposed changes are in a 271-page document and originally only gave Texans 30 days for comment beginning 8/30/24. Apparently, they received some criticism and extended the comment period an additional 15 days until 10/15/24.

Our highlights of 4 items that I deemed most important to everyone. The one that causes me concern as a banker is the rule for reserve pits. These pits are constructed when the oil and gas companies drill wells for the exploration of oil and gas. This rule will allow the oil and gas companies to dispose of the drilling waste on a landowner without notifying or getting their permission for disposal on their property. The proposed rule allows the waste, sometimes tens of thousands of gallons of drill cuttings, oil, hydraulic fluid, oil-based mud, and other unnamed proprietary chemicals to be in an unlined pit and then covered on the property. There are no monitoring requirements to notify anyone of any pollution leakage. There are also no permitting requirements to let anyone know where these pits are located. This could potentially allow contamination

of the surrounding soil and groundwater as well as surface water.

I believe if these unlined pits are on property mortgaged to lending institutions, not only is there a potential health problem, but it could also devalue the property and expose the institution to being responsible for the cleanup if there is pollution discovered in the future. This could cost the institution a large amount of money for the cleanup process.

If the commissioner has a time around 2pm - 3pm on Friday October 4th to meet with the Texas Bankers Association's Agriculture & Rural Affairs Committee members, we would appreciate it.

Regards,

Clay Doyle

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Vice President

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