



# Regulatory Agencies Announce Enforcement Discretion Policy: What does this mean for the Oil and Gas Industry?

## US Environmental Protection Agency (EPA)



The EPA announced yesterday a temporary policy that it will use discretion when enforcing certain *civil* violations during the COVID-19 outbreak.

The EPA made it very clear that no regulations have been dropped and that *criminal* violations will still be prosecuted to the full extent of the law.

The EPA recognizes that with the current “shelter-in-place” orders, businesses may not have workers available to who can take samples, be able to have samples analyzed, and to make reports to the EPA. Additionally, the EPA has many of their own employees who cannot report for duty because of the COVID-19 virus. Consequently, they have relaxed enforcement of certain *civil* violations on a temporary basis.

The policy also requires states, “...facilities to document decisions made to prevent or mitigate noncompliance and demonstrate how the noncompliance was caused by the COVID-19 pandemic.”

How will this affect the oil and gas industry? Providing certain air, water, waste and other environmentally required reports may be deferred *if* the producer can document that the report is impossible to obtain because of the COVID-19 pandemic. You are not eligible to defer any reporting requirements if your employees are still working in the field and can obtain data and report that data.

Click here for more information from the EPA: <https://www.epa.gov/newsreleases/epa-announces-enforcement-discretion-policy-covid-19-pandemic>

## Texas Commission on Environmental Quality (TCEQ)



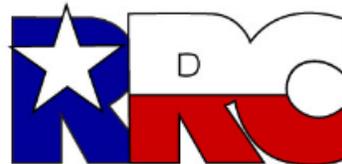
Likewise, the TCEQ has also acknowledged that the COVID-19 virus is impacting reporting and enforcement activities. The TCEQ has stated that for point source emissions inventories (EIs) due on March 31 that the, "TCEQ will exercise enforcement discretion and consider 2019 point source EIs submitted on or before April 30, 2020 as timely received. The agency will consider additional enforcement discretion regarding this deadline as conditions warrant in response to COVID-19."

The TCEQ has also extended the reporting deadline to April 30, 2020 for Texas Pollutant Discharge Elimination System (TPDES) stormwater general permit requirements reports, namely:

- Small (Phase II) Municipal Separate Storm Sewer System (MS4, TXR04000) Annual Reports
- Industrial Stormwater Multi-Sector General Permit (MSGP, TXR05000) Discharge Monitoring Reports (DMRs)

Follow this link for more information: <https://www.tceq.texas.gov/response/covid-19/regulated-entities-reporting-requirements>

## Railroad Commission of Texas Extension of Notification Requirements under Rule 32



The Texas Railroad Commission (TRCC) has extended the deadline for the reporting the release of gas (flaring) under Statewide Rule 32 (SWR 32). Operators must report after the initial 24 hours of release but not later than seven days after the release of gas started. The RRC is also allowing producers to request an administrative exception to SWR 32 within 14 days of the initial release.

A full text of the Notice to Oil and Gas Operators can be found at:

[https://www.rrc.state.tx.us/media/56835/nto\\_state-disaster-swr-32\\_og\\_3-19-2020.pdf](https://www.rrc.state.tx.us/media/56835/nto_state-disaster-swr-32_og_3-19-2020.pdf)

## Texas Railroad Commission Considers Proration of Oil and Gas Production

In a March 20 news release RRC Chairman Wayne Christian stated that many producers have suggested that the RRC enact proration of oil and gas production in response to the flood of oil on the market from Russia and Saudi Arabia. Texas last prorated oil production some 40 years ago.

The purpose of proration would be to stem the oversupply of oil. Producers would submit production information for each of their wells, and the RRC would inform the producer how much oil each well (or field) could be produced. Oil supply could be constrained using the RRC's proration rules while maintaining reservoir recoveries.

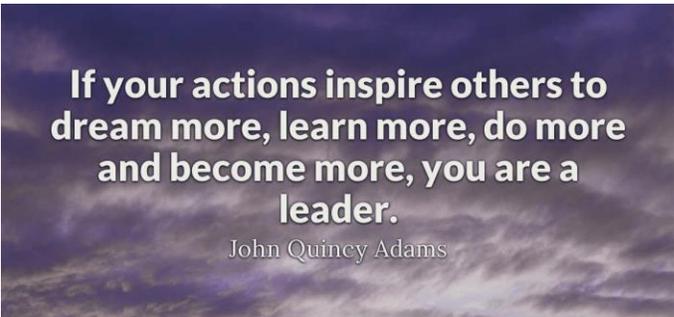
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# How to Strengthen Your Leadership Skills

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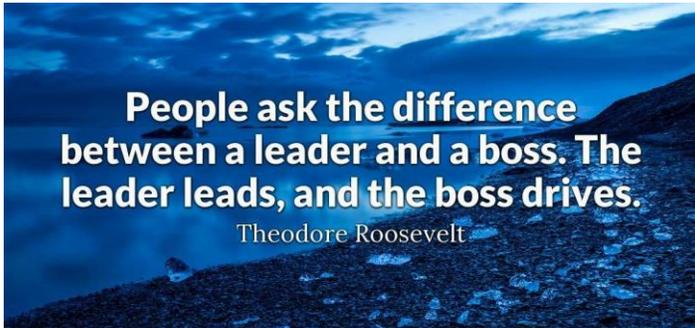
Five key points for polishing leadership thinking:

- Be clear about goals.
- Be the example that others want to follow.
- Guide others with purpose, vision and goals.
- Treat others fairly.
- Help others feel competent and confident.



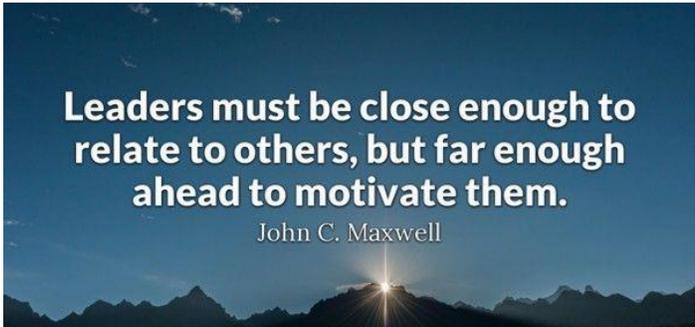
**If your actions inspire others to dream more, learn more, do more and become more, you are a leader.**

John Quincy Adams



**People ask the difference between a leader and a boss. The leader leads, and the boss drives.**

Theodore Roosevelt



**Leaders must be close enough to relate to others, but far enough ahead to motivate them.**

John C. Maxwell