



June 12, 2020

Chairman Todd Hiatt
Vice Chairman Bob Anthony
Commissioner Dana Murphy
Oklahoma Corporation Commission
2101 N. Lincoln Blvd.
Oklahoma City, OK 73105

RE: Coronavirus Aid, Relief, and Economic Security Act Funding

Dear Commissioners:

The Petroleum Alliance of Oklahoma represents approximately 1,300 member companies and tens of thousands of their employees in companies of every size, including oil and gas producers, operators, purchasers, pipelines, transporters, processors, refineries, and service companies. The Alliance represents all sectors of Oklahoma's oil and natural gas industry and is dedicated to the advancement and improvement of the industry within the State of Oklahoma and across the nation. The Alliance advocates for an environment that enables the oil and natural gas industry and related businesses to grow and prosper through the responsible development of Oklahoma's natural resources.

As you are aware, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law by President Trump on March 27, 2020. The Act established an economic relief package of more than \$2 trillion to protect the American people from the public health and economic impacts of COVID-19. The main goal of the CARES Act is direct economic assistance for American workers, families, and small businesses while preserving jobs for U.S. industries. Officials in several states are requesting that their executive branch use CARES Act funding to plug abandoned wells as a way to restore jobs for oil workers displaced by the pandemic-driven price crash.

As an example, the North Dakota Emergency Commission and legislative Budget Section approved \$33.1 million of their \$1.25 billion total federal CARES Act aid to go directly to the state's oil and gas sector. The North Dakota Industrial Commission's [Bakken Restart Well Plugging Program](#) will provide funding for the plugging of North Dakota orphaned wells and provide a source of work for North Dakota oil and gas service companies. The State of Pennsylvania also is considering the use of CARES Act funds to plug orphaned wells and Congress is discussing solutions on how to best address the issue of orphaned wells on federal lands.

The State of Oklahoma was provided \$1.2 billion in federal funds to be used for COVID-19 related expenses, emergencies, and pandemic preparedness. Oklahoma Governor Kevin Stitt has formed a legislative advisory work group to work with his team to effectively distribute CARES Act funds. The formal process to request and be considered for these funds began June 1.

The Alliance requests that the Oklahoma Corporation Commission formally ask Governor Stitt and the bipartisan advisory group for funds to plug orphaned wells abandoned by companies financially disrupted due to the impacts of COVID-19.

The Alliance thanks you in advance for your consideration of this request and your ongoing efforts to get the people of Oklahoma's oil and natural gas industry back to work. If our team may be of assistance to you in this request, please do not hesitate to ask.

Sincerely,

A handwritten signature in black ink, appearing to read "Brook A. Simmons". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Brook A. Simmons
President