

January 30, 2017

The Honorable Rob Bishop
Chairman, House Committee on Natural Resources
1324 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Bishop:

On behalf of Concho Resources, I am writing to express our strong support for the resolution of disapproval of the final rule titled "Waste Prevention, Production Subject to Royalties, and Resource Conservation", also known as the "Venting and Flaring Rule". The Department of Interior's Bureau of Land Management (BLM) published the final rule on November 18, 2016.

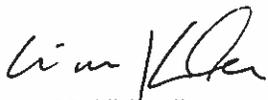
Concho Resources is an independent oil and natural gas company primarily focused on operations in the Permian Basin of southeast New Mexico and west Texas. The Venting and Flaring Rule would disrupt existing oil and gas operations and deter investment in new exploration and development, jeopardizing current jobs, impeding new hiring, and reducing vitally needed economic activity and tax revenues that support critically important state and local governmental services in New Mexico and Texas. New Mexico is already enduring a protracted fiscal crisis that the Venting and Flaring Rule will only make far worse.

The Venting and Flaring Rule imposes unrealistic requirements and would virtually shut down new development on federal lands in New Mexico by requiring producers to access pipelines and processing capacity that does not even exist. BLM's arbitrary "exemption" for wells that are more than 50 miles from a processing plant ignores the reality that in many cases no pipelines exist to transport gas to the plant or no processing plant has sufficient capacity to take the gas. The Rule's additional cost burdens will also eliminate any economic incentive to continue existing marginal and stripper well production that already generates very limited revenue.

On behalf of our Concho employees and the thousands of oilfield service providers who depend on a vibrant oil and gas industry—and the local communities in the Permian Basin that rely on oil and gas tax base and employment to maintain their vitality and social well-being—I urge the Congress to approve the resolution of disapproval of the Venting and Flaring Rule under the CRA.

Thank you for your efforts on this critical issue.

Sincerely,



Scott M. Kidwell
Vice President of Government and Public Affairs