



**STATE & FEDERAL LOBBYING • EXCLUSIVE RESOURCES
INDUSTRY PUBLICATIONS • AFFINITY PROGRAMS • NETWORKING EVENTS**



**TEXAS INDEPENDENT PRODUCERS &
ROYALTY OWNERS ASSOCIATION**

**PROTECTING THE ABILITY TO
EXPLORE FOR
AND PRODUCE
OIL AND NATURAL GAS
SINCE 1946**

A MESSAGE FROM TIPRO'S PRESIDENT ED LONGANECKER

Thanks to advancements in technology related to hydraulic fracturing and horizontal drilling, our country is officially the largest producer of oil and natural gas in the world, with Texas leading the way. The leadership of the Texas oil and gas industry is a result of several important factors, including the drive and determination of independent producers, ongoing improvements in exploration and production methods, an abundance of oil and natural gas reserves, sensible leadership from policymakers in our state, and the ongoing advocacy efforts of the Texas Independent Producers & Royalty Owners Association (TIPRO).



The Texas oil and natural gas industry supports 313,000 direct jobs in our state with a total payroll of \$45 billion. In fact, 40 percent of all oil and natural gas jobs in the country are located in Texas. The Texas oil and natural gas industry also paid \$9.4 billion in taxes and royalty payments to the state of Texas in 2016, the most current data available. Between 2008-2016, the combined taxes and royalty paid by our industry at the state level alone totaled more than \$107 billion dollars. Despite continued volatility with commodity prices, the Texas oil and natural gas industry continues to provide critical funding for all aspects for state economy, including education, public safety, transportation, water conservation, and children's protective services, to name a few.

In addition to unfavorable market conditions in recent years, our industry has been working to overcome the overbearing regulatory environment in Washington D.C. after the prior administration promulgated many policies viewed as detrimental to the E&P sector, all while domestic producers have provided employment to millions of Americans and access to an energy source that protects us, moves us and makes thousands of products we use every day possible.

TIPRO looks forward to continuing to work with the officials under the Trump Administration on developing new energy policies that will support economic growth, energy security and the supremacy of states in regulatory oversight of the oil and natural gas industry.

While the regulatory environment may be more favorable for our industry in the years to come, anti-oil and natural gas fanatics will certainly persist with their efforts to stop domestic oil and natural gas production in our country. The organized protests against President Trump's policies, frivolous lawsuits, and campaigns like 'Keep it in the Ground,' 'Beyond Oil,' and 'Beyond Natural Gas' are all examples of the ongoing threats facing our industry.

After 72 years, TIPRO remains a stalwart advocate committed to defending our industry against anti-oil and natural gas sentiment, onerous regulations and legislation focused on weakening this critically important industry. None of this would be possible without your ongoing support, which we are incredibly grateful for.

I encourage you to learn more about our association and join today. Your participation and support directly enhances our ability to effectively protect, promote and serve the Texas oil and natural gas sector.

If you have any questions, please do not hesitate to contact me.

Thank you.

ABOUT TIPRO

TIPRO exists to preserve the ability to explore and produce oil and natural gas and to promote the general welfare of its members.

Since 1946, the Texas Independent Producers & Royalty Owners Association (TIPRO) has served as top representation for the Texas oil and gas industry, advocating on behalf of nearly 3,000 members. Members of TIPRO include small family-owned companies, the largest publicly-traded independents, and large and small mineral estates and trusts. Originally founded by Texas wildcatters over 72 years ago, TIPRO works to educate key legislators, elected officials and the public on the importance of oil and gas development.

HISTORY OF TIPRO

It all began with the discovery of the great oil fields across Texas - first Spindletop in Beaumont in 1901, then Burkburnett in North Texas in 1915, followed by Luling in Central Texas in 1924, then the Santa Rita in 1923, and more.

Circumstances in each field were unique, causing varying conflicts between independents and the majors, both of which were eager to drill. With such significant discoveries of oil, global oil prices quickly plummeted, due to overproduction and theft. The majors lobbied hard at both state and federal levels for proration limits and other measures to reduce the flood of supply. Seeing this massive threat to their livelihoods, in what had become a very personal business, many independents resisted such measures.

Under this backdrop, the state's independent producers began to organize. While regional groups formed in each significant field throughout Texas, it was the East Texas Field that gave rise to the Independent Petroleum Association of Texas in 1933. This group would later reconstitute itself in 1946 as a statewide association called the Texas Independent Producers & Royalty Owners Association, or TIPRO.

Led by Glenn McCarthy and Jack Porter, the group originally consisted of 39 Texas wildcatters. Today that membership has grown to nearly 3,000.



"As one of the largest oil producers in the Permian Basin, it's mandatory that we have access to the sort of insight that TIPRO provides. Having an ally with their association's level of access and reputation in the industry is vital."

Timothy Leach, chairman, president and CEO of Concho Resources Inc.

STATE & FEDERAL LOBBYING



TIPRO serves an industry that is dramatically influenced by local, state and federal regulations, with policy initiatives that can have long-lasting effects on drilling operations. As a result, day-in, day-out, TIPRO stands strong to protect the ability to explore for and produce natural resources, advocating at the appropriate government levels on behalf of the association's 3,000 members.

TIPRO proudly works with leaders in the Texas Legislature, U.S. Congress and regulatory agencies to share the story on the importance of American oil and gas development. The

association's efforts in government affairs are unparalleled. TIPRO's relationship with lawmakers and their staff guarantees that members receive the best representation possible.

As a member of TIPRO, you'll have access to a dedicated lobbying team who are available to voice your concerns with key government officials and regulators. Through the association's committee structure, TIPRO is able to gather member input to determine top priorities and identify pressing concerns facing the Texas oil and gas industry at any given time.

With a legislative and regulatory environment that is already complex, extensive and expanding, TIPRO proudly advocates on behalf of the state's independent producers and royalty owners to ensure fair regulation and management of domestic development of natural resources.

TIPRO Legislative & Regulatory Resources:

- State and federal legislative and regulatory tracking
- Regular updates on oil and natural gas policy developments
- Access to TIPRO policy committees and task force meetings
- Access to key policymakers and industry representatives
- Access to exclusive association reports
- Lobbying support and consultation from dedicated government affairs team
- Invitation to member-only policy events with elected officials

TIPRO Legislative & Regulatory Priorities:

- Educate legislators on E&P activities
- Advocate for balanced regulatory reform
- Engage in transportation and infrastructure issues
- Participate in water conservation and funding opportunities
- Monitor city ordinances which pertain to the Texas E&P sector
- Maintain high-cost gas severance tax incentive
- Promote state regulatory framework
- Support federal policies that encourage domestic oil and gas production
- Resist onerous federal air quality standards
- Encourage reform of Endangered Species Act

“As a leading voice of independent producers in Texas, TIPRO's influence at the capitol and throughout state government is both renowned and respected. We're proud to partner with TIPRO as we advocate for sound energy policies and ensure that our story is told with transparency.”
Lee Tillman, CEO of Marathon Oil

TIPRO POLICY ENGAGEMENT OPPORTUNITIES



TIPRO members establish the business and policy priorities of the association. A variety of engagement opportunities are available for members to participate and guide these decisions or to simply stay abreast of issues that could directly impact your operations. As a member of TIPRO, you and your colleagues can join our committees and task forces to help determine what top issues will direct our organization's advocacy efforts, while sharing in the insight and development of key relationships with other industry peers.

TIPRO Board of Directors - Chairman: Eugene Garcia, Hurd Enterprises, Ltd.

TIPRO's Board of Directors provide strategic governance and oversight of priority legislative and regulatory matters for the association. The 21-person board is comprised of executives representing some of the largest independents in the state, royalty owners, as well as small to midsized E&P members from across the state of Texas.

TIPRO State Issues Committee - Chair: Pioneer Natural Resources Co.

The TIPRO State Issues Committee exists to evaluate policy decisions facing TIPRO and develop recommendations to the Board regarding a TIPRO position and course of action on state legislative or regulatory matters. The committee meets in person (with a call-in option available) every week during the legislative session and periodically during the interim. All TIPRO members are welcome to participate in this committee either in person or by phone.

TIPRO Regulatory Issues Committee - Chair: Saddle Operating, LLC

The TIPRO Regulatory Issues Committee was formed to examine and respond to any regulatory developments that may have significant impact upon the production of oil and/or natural gas in the United States, with a primary focus on the state of Texas. The regulatory committee differs from the TIPRO State Issues Committees by focusing its efforts on the technical review and impact of regulatory actions, rather than the broader public policy impact. The group will coordinate as needed to combine their expertise with that of the association's task forces and State Issues Committee to provide appropriate response measures to regulatory action taken by state or federal agencies.

TIPRO Legal Committee

TIPRO's Legal Committee was formed to track and examine legal issues that impact producers and royalty owners in the federal courts, appellate and district courts, and the Texas Supreme Court. The committee evaluates requests submitted to the association for amicus briefs, as well as helps to identify future legal threats to TIPRO members. The legal committee also develops and executes strategies to allow TIPRO to be more proactive as an organization in the judicial arena. The committee provides recommendations and counsel to the association's executive leadership and Board of Directors.

TIPRO Task Forces

TIPRO engages several standing task forces, focused on key issues, as necessary to handle rising opportunities or challenges facing members of the association. From local concerns with municipal entities to water issues tied to oil and gas development, TIPRO's task forces help guide the association's efforts to fight to protect the ability to explore for and produce.

"TIPRO provides excellent oversight of the legislative and regulatory process in Texas, offering timely information and effective representation to its members. The organization greatly increases our capabilities and is a proven and respected advocate for independent oil and gas producers."
Tadd Owens, vice president of communications & government relations for Pioneer Natural Resources

TIPRO PUBLICATIONS

TIPRO regularly communicates with membership, elected officials and the media on key issues affecting the Texas oil and gas industry. TIPRO members receive timely information via *The TIPRO Target* bi-weekly newsletter, special association publications and other energy reports. TIPRO also seeks out opportunities to consistently reinforce and promote the economic contributions and importance of the Texas E&P sector through all forms of communication, including the association's social media outlets, public speaking engagements and other oil and gas publications. TIPRO offers members several exclusive resources to stay informed on the issues that matter most to you and your business.

The TIPRO Target: The association's newsletter offers detailed information on challenges and opportunities for the Texas oil and gas industry. Available in both print and digital formats, this resource keeps members aware of the most recent news, as well as provides details on trends and other important association updates. By reading *The TIPRO Target*, members can gain the knowledge that they need.

The TIPRO Telegram: This electronic news brief announces pertinent legislative or regulatory developments to members, allowing advance notice of significant information related to the oil and gas sector. Members don't have to worry about waiting to receive information that could impact their operations - with *The TIPRO Telegram*, they can take comfort they are in the know.

Upstream Texas: TIPRO's bi-annual *Upstream Texas* magazine features in-depth stories on the oil and gas industry, exploring new trends and indicating what is to come in the years ahead. Legislative, regulatory and member profiles featured within the publication also allow readers the opportunity to better know those leading the industry.

TIPRO's Annual Membership Directory: TIPRO's annual *Membership Directory*, available in print and online, presents fast access to other association members and industry professionals. Also included within the directory is a listing of products and services provided by TIPRO members. This resource is the most efficient way to locate the products and services you need for your daily operations.

Special Publications: TIPRO is pleased to offer special industry reports in partnership with leading publications, including the *Oil & Gas Journal* and *Texas Monthly* magazines. Watch for future announcements regarding special TIPRO features in 2018.

"TIPRO's End of Session State Legislative Report": During Texas' 2017 Regular Legislative Session, more than 6,600 bills were filed. Of these, TIPRO tracked and/or lobbied 300 pieces of legislation pertaining to members of the Texas oil and gas industry. TIPRO's "*End of Session*" *Legislative Report* summarizes our industry's top priorities and accomplishments from each legislative session.

"TIPRO's timely communication with members keeps our industry informed on the challenges and opportunities facing our sector at the state, federal and local level. This valuable insight and relevant information directly helps TIPRO members more effectively manage their operations while reinforcing the importance of our industry with key stakeholders and elected officials."
Stephen Castle, president of Cowboys Resources Corp.

WHAT INDUSTRY EXECUTIVES SAY ABOUT BEING A MEMBER OF TIPRO:

“Membership and involvement in TIPRO is invaluable. TIPRO represents our concerns and I can sleep at night knowing it will represent our interests in Austin.”

Eugene Garcia, president of Hurd Enterprises, Ltd.

“Being members of TIPRO is a way for us to stay abreast of issues that might adversely affect our industry and company. The organization is highly responsive and effective. Having that channel of communication and support is invaluable.”

Frank D. Bracken, CEO of Lonestar Resources, Inc.

“Throughout my career, TIPRO has always provided me with a multitude of valuable tools and resources. Recently, our company experienced substantial savings on our electric rates through the TIPRO Power Coalition. The organization also continues to be the most effective and respected state advocacy group representing independent oil and gas producers in the state of Texas.”

Walter G. “Tad” Mayfield, president of Goldston Oil Corp.

“TIPRO has been an invaluable resource to keep abreast with current regulatory matters in the state and nationally, and serve as a conduit to communicate and collaborate with other TIPRO members regarding issues with which we are facing.”

Steven Gray, CEO of RSP Permian, Inc.

“TIPRO has done a great job of involving our folks in their committee actions and providing us with constant updates and information about legal matters. TIPRO has met, if not exceeded, our expectations and we look forward to what we hope is a long and mutually beneficial relationship.”

Larry Pinkston, president and CEO of Unit Corporation



TIPRO'S BUSINESS & NETWORKING FORUMS

TIPRO works diligently to provide numerous opportunities to network with industry colleagues, connect with potential customers and partners, and meet directly with elected officials at the state and federal levels to influence policy decisions. Regular TIPRO events include our signature Annual and Summer Conferences, monthly "Leaders in Industry" Luncheon Series and frequent policy forums, along with other industry meetings. Members also receive exclusive invitations to additional events held throughout the year with elected officials and senior industry executives.

TIPRO EVENTS PROVIDE BENEFIT TO MEMBERS BY:

- Expanding your personal and professional network;
- Allowing participants to establish valuable business relationships;
- Offering access to potential customers, investors and business partners;
- Garnering access to business and policy intelligence and trends;
- Providing opportunities to speak with lawmakers, regulators and other elected officials who govern the oil and gas industry; and
- Hosting leading executives and experts for to information sharing and exchange of best practices.

UPCOMING EVENTS

IPAA/TIPRO "Leaders in Industry" Luncheon
September 12, 2018
Houston, Texas

IPAA/TIPRO "Leaders in Industry" Luncheon
October 10, 2018
Houston, Texas

IPAA/TIPRO "Leaders in Industry" Luncheon
November 14, 2018
Houston, Texas

IPAA/TIPRO "Leaders in Industry" Luncheon
December 12, 2018
Houston, Texas

TIPRO's 73rd Annual Convention
February 26-28, 2019
Austin, Texas



HIGHLIGHTED EVENT

TIPRO's 2019 Annual Convention



Next February, TIPRO is proud to host the association's 73rd Annual Convention in Austin, bringing together TIPRO members and industry associates to provide pertinent legislative, regulatory and economic updates for the Texas E&P sector. Presenters during the meeting will highlight significant opportunities and challenges for professionals in the oil and gas business.



OTHER RESOURCES

TIPRO'S WEBSITE

Visit www.tipro.org anytime to receive the latest news on those issues that matter most. There you will also find information on policy developments from the Texas Legislature and U.S. Congress, as well as regulatory updates.

TIPRO SOCIAL MEDIA

Members are encouraged to connect with the oil and gas community by following TIPRO on Twitter, Facebook and LinkedIn. Each outlet represents a unique way to join the conversation and receive updates on what is happening, as it happens.

AFFINITY PROGRAMS

To help members reduce operating costs, TIPRO partners with select service providers to offer special rates and member exclusive benefits. Access these savings by contacting one of our select partners today.

TIPRO Shipping & Freight Savings Program: Free to members of TIPRO, the association's TIPRO Shipping Program, managed by PartnerShip®, offers substantial savings for members on all inbound, outbound, small, large and tradeshow shipments. TIPRO members save up to 26 percent* on select FedEx services including discounts for copying, printing, signs and graphics through FedEx Office. This program also provides discounts on shipments of large equipment (eg; generators, pipe, etc.), and materials on a 53' semi trailer or flatbed services. TIPRO members will save at least 70 percent off the base rates set by carriers. Through the association's new shipping program, members can receive discounted shipping services, which can provide a major financial boost for small and medium-sized businesses.



Your Shipping Connection

YOUNG ENERGY LEADERS

In 2017, TIPRO proudly launched the association's Young Leaders in Energy (YLE) Student Program. This program is designed to support and engage the next generation of leaders within the Texas oil and natural gas industry, connecting future energy professionals with an organization rich in history. YLE members enrolled in the association's program will receive unique exposure to potential employers, regular updates on industry trends, and insight to legislative and regulatory matters at the state and federal level that impact the Texas oil and natural gas industry.

Students with majors in energy-related disciplines such as engineering (petroleum, geological, chemical, or mechanical); geosciences; land management; law; and petroleum technology qualify for this unique program. Interested students must complete an online application form through TIPRO's website which includes opportunity to attach your resume and LinkedIn profile. YLE participants will be featured in TIPRO's resume database, which will be promoted throughout the year to TIPRO members and industry partners. It is our hope this resume database will connect students to TIPRO members looking to bring in young talent for internships or other full-time employment opportunities.

For additional details or to sign up as a student member, please contact TIPRO.

MEMBERSHIP FORM

EXPLORER MEMBERSHIP STARTS AT \$2500 AND INCLUDES:

- ★ Seven or more memberships
- ★ Annual subscription to *The TIPRO Target* newsletter, TIPRO's *Upstream Texas* magazine and *The American Oil & Gas Reporter* magazine
- ★ Legislative updates via electronic announcements
- ★ Copy of the annual *TIPRO Membership Directory*
- ★ Special Explorer designation in the *TIPRO Membership Directory*
- ★ Invitation to all TIPRO events, with VIP seating
- ★ Invitation to other exclusive events with elected officials
- ★ Priority access to TIPRO's professional staff
- ★ Enhanced corporate visibility
- ★ Distinctive TIPRO Explorer lapel pin



EXECUTIVE MEMBERSHIP STARTS AT \$825 AND INCLUDES:

- ★ Three or more memberships, depending on dues level
- ★ Annual subscription to *The TIPRO Target* newsletter and TIPRO's *Upstream Texas* magazine
- ★ Legislative updates via electronic announcements
- ★ Copy of the annual *TIPRO Membership Directory*
- ★ Invitation to all TIPRO events, with priority seating

INDIVIDUAL MEMBERSHIP STARTS AT \$275 AND INCLUDES:

- ★ One individual association membership
- ★ Annual subscription to *The TIPRO Target* newsletter and TIPRO's *Upstream Texas* magazine
- ★ Legislative updates via electronic announcements
- ★ Copy of the annual *TIPRO Membership Directory*
- ★ Invitation to all TIPRO events

Thank you for your commitment to TIPRO. Please indicate your desired membership level above and return this form, along with payment, either by mail to: 919 Congress Avenue, Suite 1000, Austin, Texas, 78701; or fax to (512) 476-8070. You may also join online at www.tipro.org.

Name _____ Job Title _____

Company/Organization _____

Phone _____ Fax _____ E-mail Address _____

Address _____ City _____ State _____ Zip Code _____

How do you prefer to receive communications from TIPRO? E-mail Mail

Please enter my membership category as: Producer/Operator Royalty Owner

Investor/Working Interest Owner Service/Supply Other: _____

For my annual TIPRO dues investment of \$_____, please:

Charge my: AMEX VISA MASTERCARD

Account Number _____ Exp. Date _____

Billing Address _____ Security Code _____ Signature _____

Find my check # _____ enclosed.



**THE LEADING VOICE FOR
INDEPENDENT PRODUCERS AND ROYALTY OWNERS
IN THE LONE STAR STATE SINCE 1946**

In its 72nd year of service to the Texas oil and gas industry, the Texas Independent Producers & Royalty Owners Association (TIPRO) proudly represents nearly 3,000 members, including industry executives, small family businesses, mineral owners, estates, and trusts. As one of the nation's largest statewide associations serving both independent producers and royalty owners, TIPRO advocates for increased development of natural resources and works to protect the ability to explore and produce oil and natural gas. For more information, please visit www.tipro.org or call (512) 477-4452.