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## PRESIDENT TRUMP EXPRESSES SUPPORT FOR TEXAS IN AFTERMATH OF HURRICANE HARVEY

President Donald Trump visited Texas on Tuesday, August 29, to see firsthand the damage caused from Hurricane Harvey. The storm system moved onshore along the Texas coast last Friday, August 25<sup>th</sup> as a major category four hurricane, slowly drifting inland while bringing torrents of rain, destructive winds and spawning tornados in Southeast Texas. The weather system also caused historic levels of flooding,

with some areas near Houston receiving more than 50 inches of rain -- breaking the all-time record for tropical storm rainfall in the continental United States, federal scientists said this week.

While in Texas on Tuesday, the president and other senior cabinet officials toured the Coastal Bend region, stopping in Corpus Christi to survey the area and lend support to those Texans that will have to recover from one of “the epic disasters of our time,” declared President Trump. “There’s never been anything so historic in terms of damage and in term of ferocity as what we’ve witnessed with Harvey,” the president said. After participating in a briefing on Hurricane Harvey relief and rescue efforts, President Trump and administration leaders later traveled to Austin on Tuesday to the Texas Department of Public Safety Emergency Operations Center.

In conjunction with President Trump’s visit to Texas, federal officials this week announced that the Texas Department of Transportation (TxDOT) received \$25 million to address some of the disastrous impacts from Hurricane Harvey. Almost 50 counties in Texas were affected from the tropical weather system, with more than 530 roads reported by TxDOT as flooded or closed in the days after the storm. “The immediate response from the federal government to the state of Texas has been tremendous, and these funds couldn't come at a better time,” commented Texas Governor Greg Abbott. “This money will go to use immediately for debris removal, clean up, and repairs to infrastructure. There is still a long road of rebuilding ahead, but this is a great first step and much needed in the hardest hit communities across Texas.”



Official White House Photo by Andrea Hanks

## TEXAS OFFICIALS REACT TO DEVASTATION CAUSED FROM HURRICANE HARVEY

After Hurricane Harvey slammed into Texas over the weekend, state officials vowed to help those impacted from the monstrous storm. “A Texas-sized storm requires a Texas-sized response, and that is exactly what the state will provide,” promised Texas Governor Greg Abbott. “While we have suffered a great deal, the resiliency and bravery of Texan's spirits is something that can never be broken. As communities are coming together in the aftermath of this storm, I will do everything in my power to make sure they have what they need to rebuild.”

Likewise, Texas Land Commissioner George P. Bush affirmed that the General Land Office’s Hurricane Task Force was ready to support response efforts from the hurricane. The General Land Office is responsible for several aspects of coastal management on behalf of the state, including the Hurricane Preparedness and Planning, Coastal Resources, Community Development and Revitalization, Oil Spill Prevention and Response and the Veterans Land Board. “We have coordinated all storm-related operational functions so we can have boots on the ground assisting with response efforts including oil spill mitigation and debris removal. Additionally, my team is working with officials in communities in the storm's path to document damage in anticipation of long-term recovery efforts,” said Bush.

Meanwhile, Texas Railroad Commission Chairman Christi Craddick emphasized that agency personnel continue to staff the Texas Division of Emergency Management’s State Operations Center to assist Texas leaders with response to Hurricane Harvey. “The Railroad Commission urges anyone with information on an oil spill or release to contact our 24-hour, toll-free emergency hotline at 1-844-773-0305. We will dispatch inspectors to reported incidents as soon as it is safe to do so. As a reminder, oil and gas operators are required to report any spills into water to the Railroad Commission. Protecting public safety and the environment in Texas is always our top priority, and I’m extremely proud of the commitment to our mission Railroad Commission staff are showing during this critical time,” Chairman Craddick said.

The Texas Commission on Environmental Quality has also set up an online resource with information you might need if you are affected by Harvey -- see more at: [www.tceq.texas.gov/response/hurricanes](http://www.tceq.texas.gov/response/hurricanes).

## PRESIDENT'S MESSAGE

### TIPRO Members:

Described as “unprecedented,” over the weekend Harvey struck Texas as a category four hurricane, resulting in major damage along the Texas Gulf Coast and causing historic levels of flooding in Houston and the southeast region of the state. A hurricane hasn't hit Texas soil since 2008, and the colossal storm is the strongest hurricane to hit the United States in more than 12 years. Harvey was so substantial in fact, the National Weather Service had to update the color charts on its graphics in order to effectively map all of the rainfall from this weather event. Some experts have gone as far as to say “this could go down as the worst flood disaster in U.S. history.”

In preparation for Harvey's arrival, the Texas oil and natural gas industry initiated safety protocols and precautionary measures to minimize the impact of torrential rain and high winds on infrastructure, the environment and personnel. This included proactively shutting down refineries, petrochemical plants and production in the area and evacuating employees from oil and gas platforms in the Gulf. Per numerous conversations with TIPRO members over the past week, I was reassured on both the severity of this event from an operator's perspective, as well as the extent the industry has gone to prepare for extreme weather conditions.

State and federal agencies also responded. The Texas Railroad Commission issued a notice to all oil and natural gas operators encouraging them to monitor weather conditions, secure personnel, equipment, and facilities to prevent injury or damage, and continue to safely observe operations for potential impacts. The Texas General Land Office's Hurricane Task Force, the Texas Commission on Environmental Quality and many local, state, federal elected officials also directly engaged with communities to show their support.

Calling the collective response “heroic,” Texas Governor Greg Abbott activated all 12,000 members of the Texas National Guard and is coordinating closely with federal agencies, including the Federal Emergency Management Agency. President Donald Trump also visited Texas this week to personally assess the damage and reinforce his commitment to supporting recovery, search and rescue efforts.

According to an earlier report issued by the U.S. Bureau of Safety and Environmental Enforcement, 22 percent, or 379,000 barrels per day (bpd), of Gulf production was idled due to the storm this week. Meanwhile, an estimated 300,000 bpd of onshore U.S. production was shut-in and 2 million bpd of refining capacity was offline as a result of the storm.

From an economic standpoint, in addition to the significant impact on travel, shipping, insurance and commerce, some experts believe prices could increase at the pumps by as much as \$.25. Crude oil prices will also continue to be affected temporarily. With continued rainfall and flooding, required infrastructure assessments and repairs, and a sustained emphasis on safety, only time will tell how long and substantial the impact will be.

All of this pales in comparison of course to the families, friends and colleagues that have lost everything. With respect to our industry, the response by the Texas oil and gas sector to protect and support employees and their families during this destructive event has been extraordinary. I am proud to work on behalf of so many exceptional individuals and companies. The unified response has been tremendous, but recovery will certainly be a long-term process. The effects of Hurricane Harvey will ultimately be felt by many, but one thing is for certain: Texas will emerge from this tragedy stronger, more unified and resilient than ever. My thoughts and prayers are with everyone affected.

Ed Longanecker



**Ed Longanecker**

## CHANGES TO TEXAS INSURANCE LAW FOR PROPERTY CLAIMS TAKE EFFECT SEPTEMBER 1<sup>ST</sup>

Texans impacted from Hurricane Harvey are urged to promptly file insurance claims for any damaged property before September 1<sup>st</sup> to avoid losing out on important rights for first-party claims under modified property policies caused by a “force of nature” (including floods, hurricanes and rainstorms). That's because on Friday, September 1, 2017, House Bill 1774 - relating to actions on and liability associated with certain insurance claims - will take effect. Lawyers and consumer advocates are warning that under the new law, homeowners' abilities to hold insurance companies accountable could become substantially restricted should they take months or years to pay for a claim, underpay or wrongfully deny legitimate claims. “There has been much misinformation, some of it apparently deliberate, about the impact of HB 1774 on property insurance claims,” said Attorney General Ken Paxton. “First, please know that the bill does not apply to the federal flood insurance program, nor does it apply to homeowner policies issued by the Texas Windstorm Insurance Association. For all other property insurance policies, the legislation does not change the claim filing process or the time lines for filing claims. Texas policyholders will continue to have strong remedies against insurance companies, whether claims are filed before or after September 1.” The public may learn more about this issue at: [www.tdi.texas.gov/licensing/agent/revaglitypia.html](http://www.tdi.texas.gov/licensing/agent/revaglitypia.html).

### TIPRO Calendar of Events

<p><b>SEPTEMBER 13, 2017</b> HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.</p>	<p><b>OCTOBER 11, 2017</b> HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.</p>	<p><b>OCTOBER 30, 2017</b> NEW YORK — TIPRO 2017 NASDAQ Market Closing, New York City. For info, call: (512) 477-4452.</p>	<p><b>OCTOBER 30 - NOV. 1, 2017</b> SANANTONIO — INTERNATIONAL PETROLEUM ENVIRONMENTAL CONFERENCE, Hyatt Regency Hotel. For info, call: (918) 631-3088.</p>
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## EPA ADMINISTRATOR: “DESTRUCTION FROM HURRICANE HARVEY IS UNFATHOMABLE”

The leader of the U.S. Environmental Protection Agency (EPA), Scott Pruitt, was in Texas this week to assess EPA relief efforts and thank responders following Hurricane Harvey. Administrator Pruitt spent Wednesday in Corpus Christi, Texas, where he also met with local and state leaders to discuss continued relief measures in the aftermath of Hurricane Harvey. “The devastation endured by Texas this week is unfathomable. As I saw firsthand today, the Lone Star State has shown commendable perseverance in helping their fellow neighbors through this crisis,” commented Administrator Pruitt. “The EPA is committed to working with our federal, state, and local partners to provide relief to the affected regions.”

At EPA headquarters, the agency’s Emergency Operations Center (EOC) has been activated this week, and Administrator Pruitt has remained in regular contact with EPA staff across the department who are part of the hurricane response effort, the EPA reports. Further, the agency is positioned to support the Federal Emergency Management Agency (FEMA), as well as state and local partners in Texas.



Credit: EPA

Already, the EPA has assisted efforts to respond to this emergency situation in Texas by:

- Addressing fuel shortages: Following Hurricane Harvey’s landfall, Administrator Pruitt approved emergency fuel waivers for Texas to help ensure an adequate supply of gasoline is available in the areas affected by Hurricane Harvey until normal supply to the region can be restored. Administrator Pruitt also approved a request to temporarily lift the highway diesel fuel red dye requirements in Texas to allow the use of non-road diesel fuel for on-highway vehicles involved in emergency response and disaster recovery, lasting through September 15.
- Monitoring public water systems: EPA Region 6 [which oversees activity in Texas] has been tracking water systems that may have been severely impacted from the hurricane due to storm surge, flooding, or loss of power. The EPA reports that over 4,000 public drinking water systems have been potentially impacted by Hurricane Harvey and the flooding event in Texas. Both Texas Commission on Environmental Quality (TCEQ) and Louisiana Department of Hospitals have uploaded their potentially impacted systems into the EPA’s Response Manager, which enables planning for rapid assessments to restore water systems after flood waters recede. The EPA and TCEQ are in the process of conducting damage assessments to both drinking water and wastewater systems to identify impacts to critical assets and assist in the recovery.
- Securing Superfund Sites: On Wednesday of this week, EPA team members began rapid assessments of two NPL Superfund sites that have now become accessible after floodwaters in the region receded.
- Assessing conditions at major industrial facilities: EPA is working to evaluate conditions at major industrial facilities in the affected area to identify potential impacts and countermeasures.

## PORT OF CORPUS CHRISTI RECOVERS FROM HURRICANE HARVEY

Taking a near direct hit from Hurricane Harvey over the weekend, leaders of Port of Corpus Christi report that the port appears to have only suffered light to moderate damage from the storm. “We are completing our initial assessments and are working with the Army Corps of Engineers to start a channel survey. The safety of our personnel remains our first priority. We expect a successful recovery effort through our continued coordination with our local, state, federal and industry partners,” said John LaRue, executive director of the port, in a statement.

The port closed last Thursday, August 24, ahead of the storm’s landfall and remains closed for time-being, although officials indicate that the port is hoping to return to normal operations by Monday, September 4. “As we continue our post-Hurricane Harvey recovery, we are also supporting and in full communications with surrounding communities affected by the storm. We are augmenting the tremendous efforts of all local and first responders of the most affected areas in our region,” said Tom Mylett, director of port security and incident manager of the port’s incident management team.

As one of the nation’s largest ports, the Port of Corpus Christi is a premier energy port in the United States, and a major economic engine for the South Texas Coastal Bend. Just two weeks ago, Texas Railroad Commissioner Ryan Sitton held a press conference at the port on August 16<sup>th</sup> advocating for the Corpus Christi Ship Channel Improvement Project that would deepen the 36-mile ship channel to 52 feet (MLT) Mean Low Tide from the current 45 feet MLT. “Energy exports of oil, liquefied natural gas, chemicals and refined products hold enormous opportunities for our country in terms of our economic and national security. The U.S. is poised to dominate global markets in this new energy paradigm, but a lack of appropriate transportation infrastructure could hamper our ability to realize our economic potential to fill the world’s needs for American energy. We must make investments in pipelines and the ship channel improvement project so that as production rises, we have the ability to safely and efficiently move those products around the globe,” Sitton said. The commissioner also observed during the news conference that deepening the channel at the Port of Corpus Christi would be a top priority for the state.

In light of the national significance of the port to the energy industry, during the August 16<sup>th</sup> press event involving Commissioner Sitton, Corpus Christi Mayor Joe McComb read a proclamation declaring August 16<sup>th</sup> as “Port of Corpus Christi Energy Day.”

## **RAILROAD COMMISSIONER WAYNE CHRISTIAN PLANS INITIATIVE TO PROMOTE INDUSTRY WORKFORCE**

Texas Railroad Commissioner Wayne Christian this month revealed plans to launch a new initiative geared towards bringing together members of industry, academia and government to identify ways to build the necessary workforce in the future to power the energy industry. Specifically, the commissioner says that the initiative's study and discussion will relate to methods to ensure the industry's future workforce needs are met; better connecting millennials to careers in oil and gas; and deciphering ways to increase training, vocational, technical, and university programs necessary to prepare the next generation of energy professionals.

"As talk turns to the future for our school children heading back to the classroom, there are incredible opportunities ahead for them in the energy industry. We must get serious about how we meet the educational needs of our young people so they have the tools they need to keep Texas energy a global leader. A strong workforce means a prosperous oil and gas industry and a prosperous oil and gas industry means a thriving Texas," stressed Commissioner Christian.

More details on this new initiative are expected to be announced in the coming weeks.

## **TEXAS REGULATOR CREDITS TECHNOLOGICAL ADVANCES, NOT REGULATIONS, FOR DECLINING EMISSIONS**

Speaking in Houston last week, Texas Railroad Commissioner Ryan Sitton praised advancing technologies for allowing the oil and gas industry to reduce emissions in the United States, stating that innovations - not regulations - are behind the improvement. The commissioner delivered the comments while presenting at a luncheon on August 24<sup>th</sup> hosted by the Industry Council on the Environment (ICE), an advisory group made up of engineers and environmental consultants that works directly with government and industry to promote the development, understanding and use of reasonable environmental policy.

"As the U.S. is exponentially growing its production of clean and reliable energy like natural gas, we are also significantly reducing emissions and providing clean energy to our allies overseas," Commissioner Sitton remarked. "The U.S. decreased emissions by 15 percent between 2005 and 2016 not because of the Paris Accord or Clean Power Plan, but because of technological advancements from the industry, like hydraulic fracturing. This technique has allowed producers to unlock shale plays and develop abundant natural gas reserves, which are now being shipped from our ports to more than 20 countries around the world. Hydraulic fracturing in the U.S. has created thousands of jobs, enhanced our economic and national security, and reduced emissions from electric generation facilities."

## **RRC'S OIL & GAS DIVISION HOLDS FIRST-EVER STATEWIDE AND DIVISION-WIDE MEETING, VIA SKYPE**

Using internet-based web streaming service Skype, in August, the Texas Railroad Commission's Oil and Gas Division held its first-ever statewide and division-wide meeting. The commission reports that its August 16<sup>th</sup> Skype conference included roughly 340 participants and nine district offices on-camera from Austin headquarters and all corners of the Lone Star State - ranging from Amarillo to Kilgore and Wichita Falls to Corpus Christi.

"This is a first," Railroad Commission Oil and Gas Director Lori Wrotenbery said of the meeting. "This technology enabled us to bring the division's entire staff together without prohibitive travel costs that frankly have barred us from attempting this before."

Wrotenbery notes that the division will plan in the future to conduct division-wide meetings via Skype annually.

## **TEXAS GOVERNOR SIGNS LEGISLATION PASSED DURING STATE'S SPECIAL SESSION**

After the state legislature concluded its work for the special session and adjourned sine die, in mid-August Texas Governor Greg Abbott signed into law 14 policy measures that were passed out of the House and Senate chambers. The 85<sup>th</sup> Legislature's first-called special session -- which lasted 29 days -- saw the passage of a number of bills tied to the 20 total items featured on Governor Abbott's agenda, including legislation relating to education, women's health, election integrity, and voting rights. During the special session this summer, the legislature also successfully approved critical sunset legislation extending the expiration dates for the Texas Boards of Medical Examiners, Examiners of Psychologists, Examiners of Marriage and Family Therapists, Examiners of Professional Counselors and Social Worker Examiners, which will allow these agencies to continue their regular operations and remain fully functional.

No legislation approved during the legislature's special session was vetoed by Governor Abbott.

## **REPRESENTATIVE LARRY GONZALES ANNOUNCES HE WILL NOT SEEK RE-ELECTION TO TEXAS HOUSE**

State Representative Larry Gonzales (House District 52) will not seek re-election for the Texas House, the state legislator confirmed this week. During the 2017 Legislative Session, Representative Gonzales served as chair of the state's Sunset Advisory Commission, and authored legislation relating to the sunset review of the Railroad Commission of Texas. He also has chaired a House Appropriations subcommittee. A businessman from Round Rock, Texas, Gonzales was first elected as a state representative in 2010.

"It was an honor to serve and I'm very happy with what we accomplished," Representative Gonzales told the *Quorum Report* on Tuesday, August 29.

## EPA, U.S. ARMY CORPS TO HOST STAKEHOLDER MEETINGS THIS FALL ON 'WOTUS' POLICY

The U.S. Environmental Protection Agency (EPA) and Army Corps of Engineers this fall will hold 11 sessions to provide stakeholders and the public an opportunity to share recommendations on a revised definition of 'waters of the United States,' also commonly referred to as WOTUS. "EPA is committed to an open and transparent process for reviewing the definition of WOTUS," affirmed EPA Administrator Scott Pruitt. "Receiving input from across the country will help us make informed decisions as we move through our two-step process that will return power to the states and to provide regulatory certainty to our nation's farmers and businesses."

According to the agencies, nine two-hour long teleconferences on WOTUS are being planned. Each session will be tailored for specific sectors, in addition to an independent session in the works that will be open to the general public. One in-person session for small entities is being coordinated as well. As currently planned, the schedule for these WOTUS stakeholder meetings is as follows:

- September 19, 2017 – small entities (small businesses, small organizations and small governmental jurisdictions)
- September 26, 2017 – environment and public advocacy
- October 3, 2017 – conservation, (hunters, anglers)
- October 10, 2017 – construction and transportation
- October 17, 2017 – agriculture
- October 23, 2017 – small entities [\*in-person meeting at the U.S. EPA's Headquarters]
- October 24, 2017 – industry (energy, chemical, oil/gas)
- October 31, 2017 – mining
- November 7, 2017 – scientific organizations and academia
- November 14, 2017 – stormwater, wastewater management and drinking water agencies
- November 21, 2017 – general public

Information on how to register for each of these meetings is available online at [www.epa.gov/wotus-rule](http://www.epa.gov/wotus-rule).

Meanwhile, the EPA and the Army Corps of Engineers have extended the comment period by 30 days for the administration's ongoing review of the definition of WOTUS in order to provide additional time to allow stakeholders to weigh in and share formal comments. The public can submit feedback, identified by Docket Id. EPA-HQ-2017-0203, at [regulations.gov](http://regulations.gov). The comment period, as now extended, will close on Wednesday, September 27, 2017.

## PRESIDENT TRUMP PLUGS VISION FOR TAX REFORM

Speaking to an audience of manufacturers in Springfield, Missouri, President Donald Trump on Wednesday promoted his vision to spur job creation and economic growth in the United States by cutting rates and revising the nation's tax code. "Our self-destructive tax code costs Americans millions and millions of jobs, trillions of dollars, and billions of hours spent on compliance and paperwork... If we want to renew our prosperity, and to restore opportunity, then we must reduce the tax burden on our companies and on our workers," said President Trump. Though the president has repeatedly expressed his intention to work with Congress to overhaul the nation's tax system, until now few details have been released on how exactly the president and his administration seek to accomplish such goals. This week, the president outlined four core principles which he believes will help deliver real tax reform for everyday hardworking Americans - below is an excerpt of the president's remarks from Missouri discussing his ideas for tax reform:

*First, we need a tax code that is simple, fair, and easy to understand. That means getting rid of the loopholes and complexity that primarily benefit the wealthiest Americans and special interests. Our last major tax rewrite was 31 years ago. It eliminated dozens of loopholes and special interest tax breaks, reduced the number of tax brackets from fifteen to two, and lowered tax rates for both individuals and businesses. At the time, it was really something special. Since then, our tax laws have tripled in size, and the tax code itself now spans more than 2,600 pages, and most of it is not understandable. Tax rates have increased, and special interest loopholes have crept back into the system. The tax code is now a massive source of complexity and frustration for tens of millions of Americans...*

*Second, we need a competitive tax code that creates more jobs and higher wages for Americans. It's time to give American workers the pay raise that they've been looking for many, many years... We must reduce the tax rate on American businesses so they keep jobs in America, create jobs in America, and compete for workers right here in America -- the America we love.*

*The third principle for tax reform is a crucial one: tax relief for middle-class families. We will lower taxes for middle-income Americans so they can keep more of their hard-earned paychecks, and they can do lots of things with those paychecks... We believe that ordinary Americans know better than Washington how to spend their own money, and we want to help them take home as much of their money as possible and then spend it.*

*Fourth and finally, we want to bring back trillions of dollars in wealth that's parked overseas. Because of our high tax rate and horrible, outdated, bureaucratic rules, large companies that do business overseas will often park their profits offshore to avoid paying a high United States tax if the money is brought back home. So they leave the money over there. The amount of money we're talking about is anywhere from \$3 trillion to \$5 trillion. Can you believe that? By making it less punitive for companies to bring back this money, and by making the process far less bureaucratic and difficult, we can return trillions of dollars to our economy and spur billions of dollars in new investments in our struggling communities and throughout our nation.*

## TEXAS PUSHES BACK AFTER COURT RULES AGAINST STATE'S VOTER ID LAW

Earlier this month, a federal judge struck down Texas' voter identification law, concluding that the policy was in violation of the Voting Rights Act and the 14<sup>th</sup> and 15<sup>th</sup> Amendments of the United States Constitution.

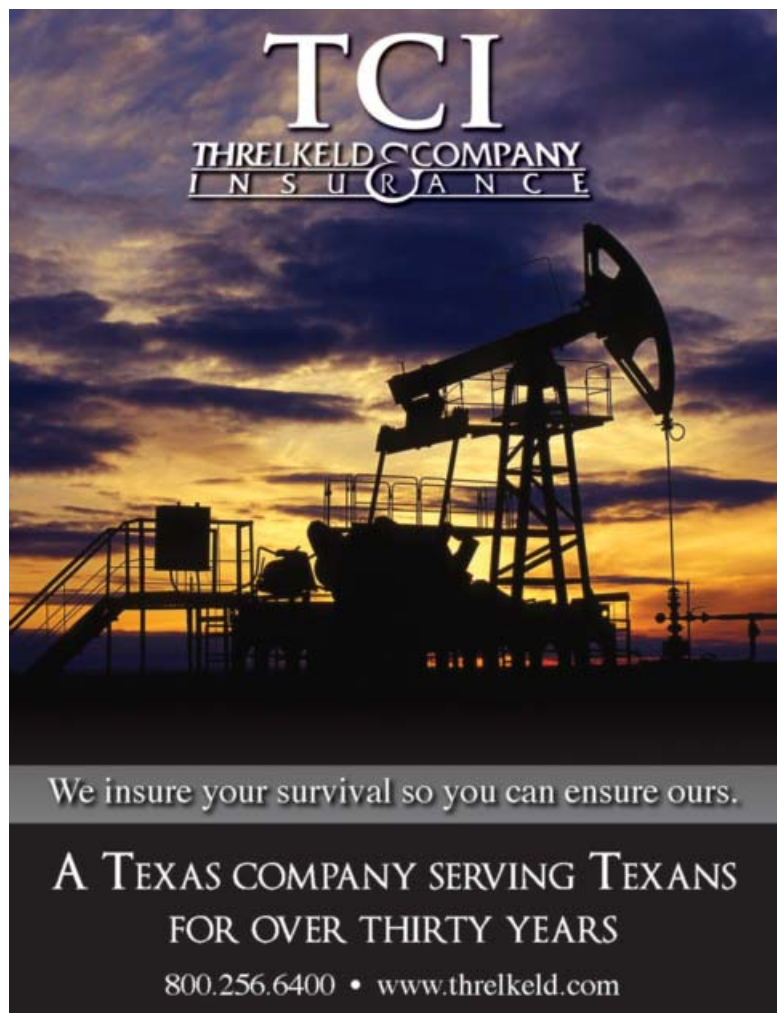
Last Wednesday, August 23, U.S. District Judge Nelva Gonzales Ramos granted an injunction barring Texas from enforcing its amended voter ID law (as approved under Senate Bill 5). The state legislature had earlier this year amended its policy to comply with a prior Fifth Circuit court ruling, adopting changes to the state's voter ID laws that softened Texas' voter identification requirements. Despite such efforts, Judge Ramos found the state didn't go far enough in addressing concerns over the voter ID law. Texas Attorney General Ken Paxton maintains that "Texas complied with all the changes to the voter ID law requested by the Fifth Circuit, which should reverse the district court's misguided ruling. Voter ID guarantees to Texas voters the opportunity to cast an in-person ballot and protects the integrity of our elections." Paxton continued, "The outrageous voter ID ruling is an affront to the Fifth Circuit and an example of one judge choosing to create the law based on their own preferences rather than apply the law justly and fairly. The voting process in Texas demands the highest level of integrity."

Paxton has since asked the Fifth U.S. Circuit Court of Appeals to overturn a district court's injunction over the state's voter ID law.

## SUPREME COURT TEMPORARILY BLOCKS LOWER COURT RULING OVER TEXAS' CONGRESSIONAL MAP

The United States Supreme Court on Monday, August 28<sup>th</sup> issued a temporary stay blocking a redistricting decision over Texas' congressional map. In mid-August, the U.S. District Court in San Antonio had ruled that two of Texas' 36 congressional districts (Districts 27 and 35) were invalid. In response, Texas Attorney General Ken Paxton asked the Supreme Court to intervene, hoping to keep the state's congressional district boundaries intact for the 2018 elections. "The maps are lawful and constitutional, and a stay is vital to avoiding unnecessary election confusion," Attorney General Paxton said. "It is astonishing that the lower court ignored that the maps are the very same ones that the court itself adopted in 2012, and the Obama-era Department of Justice did not bring any claims against the maps. We are confident that the Supreme Court will allow Texas to continue to use the maps used in the last three election cycles."

The high court has given challengers of the congressional maps until September 5<sup>th</sup> to answer arguments that were presented by Attorney General Paxton in his Supreme Court stay application. Subsequently, the court has ordered a hearing in early September to further consider remedial plans to redraw the congressional maps for Texas.



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## FEDERAL COURT ORDERS TEXAS HOUSE MAP MUST BE REDRAWN

Texas was dealt another blow in August over its political boundaries after a federal court ruled that some of the state's 150 House districts must be redrawn ahead of the 2018 elections. A three-judge panel in San Antonio delivered the decision on August 24, 2017, unanimously ruling that nine House districts must be corrected "because lawmakers intentionally discriminated against minorities in crafting several legislative districts."

The House districts flagged by the court include:

- Dallas County's HD 103 (represented by Rafael Anchia), HD 104 (represented by Roberto Alonzo), and HD 105 (represented by Rodney Anderson).
- Nueces County's HD 32 (represented by Todd Hunter), and HD 34 (represented by Abel Herrero).
- Bell County's HD 54 (represented by Scott Cosper), and HD 55 (represented by Hugh Shine).
- Tarrant County's HD 90 (represented by Ramon Romero), and HD 93 (represented by Matt Krause).

Should the districts listed above be redrawn, neighboring House districts could also be impacted with shifting boundary lines.

In response to the court's decision last week, Texas Attorney General Ken Paxton vowed to appeal the ruling.

With the 2018 primary elections just around the corner, the Texas Tribune reports that local elections administrators have indicated that they need clarity by October in order to meet deadlines for sending out voter registration cards. December is also the filing deadline for candidates.

## NEW REPORT HIGHLIGHTS GROWING ACTIVITY FROM ANADARKO BASIN

The U.S. Energy Information Administration's (EIA) latest *Drilling Productivity Report* offers new insight into growing activity from the Anadarko region, which spans across a large portion of western Oklahoma and the northeast corner of the Texas panhandle. According to the EIA, in July 2017, the Anadarko accounted for approximately 437,000 barrels per day (b/d) of oil production and an estimated 4.9 billion cubic feet per day (Bcf/d) of natural gas production. That same month, 13 percent of all new wells drilled in the country were in the Anadarko region.

The area could hold strong potential for future oil and gas development: A 2010 assessment completed by the U.S. Geological Survey estimated the Anadarko region could hold technically recoverable undiscovered resources of 495 million barrels of oil, 27.5 trillion cubic feet of natural gas, and 410 million barrels of natural gas liquids.

"The maturity of the oil industry in the region and its proximity to the trading and distribution hub in Cushing, Oklahoma, should allow producers to increase output using existing takeaway capacity. The relatively low transportation costs from the wellhead to Cushing may provide higher profits, allowing producers to continue operating in a relatively low-price environment," explain EIA experts. "Trade press also indicates that several planned and recently completed pipelines are expanding transportation (takeaway) capacity in the region."

This year, the Anadarko's increasing rate of drilling has been second only to that of the Permian, with future growth in E&P activities expected. "The Anadarko Region is expected to contribute to U.S. production growth, given anticipated market conditions over the next 16 months. EIA forecasts production in the Anadarko Region to grow to 500,000 b/d by the end of 2018."



## NATURAL GAS EXPORTS FROM U.S. TO EXCEED IMPORTS: EIA

The U.S. Energy Information Administration (EIA) published new data in August that indicates the United States will become a net exporter of natural gas this year. "The United States has been a net exporter for three of the past four months and is expected to continue to export more natural gas than it imports for the rest of 2017 and throughout 2018. The United States' status as a net exporter is expected to continue past 2018 because of growing U.S. natural gas exports to Mexico, declining pipeline imports from Canada, and increasing exports of liquefied natural gas (LNG)," explained EIA experts. Currently, there are three operational liquefaction facilities in the United States, with more expected to come online soon further increasing LNG exports from the United States. Five new projects under construction—Cove Point, Cameron, Elba Island, Freeport, and Corpus Christi—will come online in the next three years, increasing total U.S. liquefaction capacity from 1.4 Bcf/d at the end of 2016 to 9.5 Bcf/d by the end of 2019, projects the EIA.

"The United States is currently the world's largest natural gas producer, having surpassed Russia in 2009. Natural gas production in the United States increased from 55 billion cubic feet per day (Bcf/d) in 2008 to 72.5 Bcf/d in 2016. Most of this natural gas—about 96 percent in 2016—is consumed domestically. Abundant natural gas resources and large production increases have created opportunities for U.S. natural gas exports," analysts add.

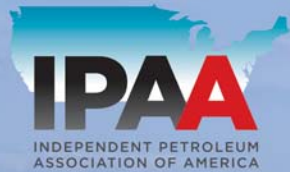
## ENERGY TRANSFER PARTNERS TAKES ACTIVISTS TO COURT OVER ALLEGED 'ECO-TERRORISM'

On Tuesday, August 22, 2017, Energy Transfer Partners -- the builder of the Dakota Access Pipeline -- filed a federal lawsuit against environmental activist organizations Greenpeace, EarthFirst and others for purportedly manufacturing and disseminating materially false and misleading information about the company and the Dakota Access Pipeline for the purpose of fraudulently inducing donations, interfering with pipeline construction activities and damaging Energy Transfer's critical business and financial relationships. The legal complaint also alleges that the groups had incited, funded, and facilitated crimes and acts of terrorism to further these objectives. Further, Energy Transfer Partners claim in the lawsuit that actions pursued by activists were in violation of federal and state racketeering statutes, defamation, and constituted defamation and tortious interference under North Dakota law.

"The attacks were calculated and thoroughly irresponsible, causing enormous harm to people and property along the pipeline's route," the lawsuit argues. "Dakota Access was a legally permitted project that underwent nearly three years of rigorous environmental review and for this reason, Energy Transfer believes it has an obligation to its shareholders, partners, stakeholders and all those negatively impacted by the violence and destruction intentionally incited by the defendants to file this lawsuit."

The lawsuit also asserts that the environmental groups directly and indirectly funded eco-terrorists on the ground in North Dakota when trying to prevent or delay construction of the Dakota Access Pipeline. "These groups formed their own outlaw camp among peaceful protestors gathered near Lake Oahe, and exploited the peaceful activities of these groups to further the Enterprise's corrupt agenda by inducing and directing violent and destructive attacks against law enforcement as well as Plaintiffs' property and personnel. The Enterprise then flagrantly manipulated these "made-for-TV" events to raise more funds for the Enterprise. These terrorist groups also funded their activities and the Enterprise by using donations to fund a lucrative drug trafficking scheme inside the camps."

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