



TIPRO
Texas
**Independent
Producers and
Royalty Owners
Association**

HOUSE FORMS SUBCOMMITTEE TO EXAMINE SEISMIC ACTIVITY IN TEXAS

In response to rising concern over seismic activity in the state of Texas, a new House subcommittee has been formed to further examine the issue. The legislative subcommittee will be chaired by the Vice Chair of Energy Resources Myra Crownover, and will also include state Representatives Phil King, Terry Canales and Chris Paddie.

“The recent rise of seismic activity in Texas has caused much debate and assumptions to be made with regards to oil and gas production and disposal wells,” commented Representative Jim Keffer, chair of the House Energy Resources Committee. “I believe that with the help of the Texas Railroad Commission (RRC), we can study and find the cause for the seismic activity based on scientific facts. I am confident that Vice Chair Crownover and the members of the subcommittee will conduct a thorough review of the best information and science available.”

“The Texas oil and gas industry is the envy of the nation and the world,” added Representative Crownover. “All Texans benefit from the safe production of our natural resources. It is our job as legislators to make sure that we address the concerns surrounding recent earthquake activity so that all Texans can sleep easy, confident that the oil and gas industry continues to operate in a safe and responsible manner.”

Moreover, on Tuesday, January 21, during the agency’s regularly scheduled open meeting, RRC Commissioners patiently listened to nearly two hours of public testimony from over 30 North Texas residents who remain troubled over the recent seismic activity in and around their homes and businesses. Following the conclusion of the public comment-portion of the meeting, agency directors and staff provided an extensive update on the RRC’s ongoing investigation into the matter. At the request of the state regulators, the commission’s general counsel Lindil Fowler, also outlined the legal jurisdiction of the agency -- pointing out that many of the complaints presented at the meeting fall outside of the RRC’s authority to regulate, including damage to residential or commercial structures, roads and bridges as well as the diminution of property values. Those types of problems instead are largely part of the jurisdictional domain of district courts, or in some instances, other regulatory agencies. Fowler also explained in-detail the need for due-process, in the event there was reasonable cause to believe an operator had violated their permit, and articulated the procedure by which the commission would handle such a case.

“Our association is closely tracking all developments on this issue,” assured Ed Longanecker, president of TIPRO. “We are supportive of both the RRC and legislature’s efforts to provide further analysis. All stakeholders are taking this topic seriously, and we must rely on sound scientific data to better understand the cause and path forward. Our industry continues its commitment to operating in a responsible manner and protecting both the environment and communities in which we live and work.”

LEADERSHIP CHANGES AT THE TCEQ



Texas Governor Rick Perry has appointed Zak Cover, former executive director of the Texas Commission on Environmental Quality (TCEQ), as the agency’s next commissioner. His term will expire on August 31, 2015.

“I look forward to working with Zak in his new capacity as a commissioner, and I know he will bring the same dedication and energy to this position that he demonstrated as the Executive Director,” commented TCEQ Commissioner Toby Baker. “Zak is driven by the law, science, and common sense and will serve the people of Texas well.”

As a result, the TCEQ Commissioners voted unanimously on Wednesday, January 15, to appoint Richard A. Hyde, P.E., to fill the role of executive director for the agency, effective immediately. Hyde previously served as deputy executive director of the TCEQ since 2012. He has also formerly served as deputy director of the Office of Compliance and Enforcement, the Office of Permitting and Registration, and was director of the Air Permits

Richard A. Hyde Division for five years. Hyde first joined the TCEQ in 1992, where he worked as a permit engineer, team leader, and manager in the Air Permits Division.

“I am honored and humbled by the confidence shown in me by the commissioners,” said Hyde. “It is a great opportunity to continue to serve the people of the State of Texas, and I will do my best every day to carry out the agency’s mission.”

PRESIDENT'S MESSAGE

TIPRO Members -

While most of us are aware of the many advantages offered from domestic shale development, new data released by the Labor Department adds another benefit to the list: reduced inflation rates in the U.S. This directly helps Americans, who as a result do not have to worry about paying as much for living expenses. In fact, during 2014, economists are projecting that for a second straight year, consumer prices will rise less than 2 percent. The last time the cost of living in the U.S. rose less than 2 percent for two straight years was in 1964 and 1965 -- a half-century ago.

This is big news, as it is yet another indication that the economy is strengthening since the last recession. And who should we thank for this? The U.S. E&P sector. More than offering remarkable job creation and revenue for our local, state and federal treasuries, the oil and gas industry is directly supporting Americans by limiting the increase in the cost of living. Adjusted inflation rates trickle down to the goods and services we all buy, signifying we as consumers can expect greater purchasing power in the years to come.

The spike in production of U.S. shale deposits, bolstered by advancing technologies related to hydraulic fracturing and horizontal drilling, has also eased the price of gasoline at the pump. As U.S. producers pump more oil and natural gas, we have a more reliable supply on hand, which affects market prices accordingly.

Moreover, the rising supply of domestic energy resources is reducing America's imports of crude oil. Since peaking in 2005, U.S. dependence on foreign petroleum has continued to decline each year, meaning that our country is spending fewer dollars on crude oil and petroleum products from other nations. Outside of enhancing our energy security, the implications of this are certainly notable, as analysts explain that now any gain in crude prices no longer leads to a weaker greenback, which in turn is upending a decade-long relationship that may strengthen the value of the U.S. assets.

As independent oil and gas producers contribute to the prospect of American energy independence in the coming decades, we can continue to expect positive benefits and returns for our livelihoods. TIPRO remains committed to sharing these types of powerful stories with elected officials, policymakers and the general public, so that all have better understanding and appreciation of increased onshore energy development.

Sincerely,




Ed Longanecker

INTERIM CHARGES ANNOUNCED FOR SENATE NATURAL RESOURCES COMMITTEE

Late last week, Texas Lieutenant Governor David Dewhurst issued interim charges for members of the Texas Senate Committee on Natural Resources, providing new direction on what issues legislators should concentrate on in the year to come. As anticipated, there is again a heavy focus on water.

During the interim session, the committee has been instructed to examine: how to encourage additional use of brackish water across Texas, including but not limited to aquifer storage and recovery and desalination; state and federal regulation of water supply; and environmental permitting procedures, in addition to the impact of permitting delays on economic development.

"With our population doubling in the next 50 years, we must ensure our water infrastructure is prepared to handle that growth and help grow our economy," said Dewhurst. "The November vote showed that Texans understand the importance of sufficient infrastructure in the face of population growth and periodic drought. These charges will keep us focused on efforts that will protect our quality of life... I am confident that Texas is continuing in the right direction that will only strengthen our economy."

Dewhurst also revealed new appointments to the State Water Implementation Fund for Texas Advisory Committee, which include Senator Troy Fraser (Chair), Senator Robert Duncan and Senator Kevin Eltife.

Additional interim charges are expected to be announced in the coming weeks.

TIPRO Calendar of Events

<p>FEBRUARY 5-7, 2014 HOUSTON — Winter NAPE Expo, George R. Brown Convention Center For info, call: (817) 847-7700.</p>	<p>FEBRUARY 12, 2014 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.</p>	<p>MARCH 19, 2014 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.</p>	<p>MARCH 24-26, 2014 FORT WORTH — TIPRO'S 68th Annual Convention, Hilton Hotel. For info, call: (512) 477-4452.</p>
--	---	--	---

LAW FIRM RELEASES NEW APP ON U.S. SHALE DEVELOPMENT

Energy and environmental law attorneys at Bracewell & Giuliani have unveiled a new mobile app called “ShalePlay” geared towards educating the public and sharing news related to shale development and hydraulic fracturing. More specifically, the app includes:

- News aggregated from a variety of key sources
- Legislative and regulatory updates
- Shale studies
- Interactive map of shale plays
- Glossary of common industry terms
- Historical timeline of hydraulic fracturing
- Analysis from Bracewell & Giuliani attorneys

“We created this app to offer our clients, and others in the industry, the latest news and information on oil and gas production in shale plays, providing a one-stop-shop for shale related content,” said Paul Grabowski, chief marketing officer for Bracewell & Giuliani.

The free app requires iOS 6.0 or later and is compatible with the iPhone, iPad, and iPod touch. This app is optimized for the iPhone 5. The firm says that an Android version will also be made available in the first half of 2014.

UTSA OFFERS NEW CERTIFICATE PROGRAM TO TRAIN OIL AND GAS PROFESSIONALS

Students at the University of Texas at San Antonio (UTSA) can now enroll in a new certificate program designed to provide the fundamental engineering knowledge necessary to have a career in the oil and gas industry. Offered through the College of Engineering, the university hopes that the program will help to train workers for those companies exploring the Eagle Ford Shale in South Texas and the Cline Shale in West Texas.

“This certificate will signal to employers that graduates of this program have received top-tier training and exposure to the real-world engineering challenges encountered in the oil and gas industry,” said Harry Millwater, chair of the UTSA Department of Mechanical Engineering.

The school says that both UTSA mechanical engineering faculty members and local industry professionals are teaching the certificate courses. To earn the Oil/Gas Certificate, UTSA students must complete 15 credit hours of course work, which includes required courses in Measurements and Instrumentation as well as Machine Element Design, and three electives, such as Oil and Gas Engineering and Reservoir Geomechanics, Pressure Vessel and Piping Design, Separations Processes or Mechanical Vibration.

With the ongoing growth in industry activity across the state, workforce development continues to be a priority for oil and gas producers and service companies. Currently the Texas E&P sector supports close to 400,000 jobs, with additional job creation anticipated in the coming years.

STOP BY AND VISIT TIPRO DURING THIS YEAR’S NAPE EXPO!

The Texas Independent Producers & Royalty Owners Association (TIPRO) hopes to see you at the upcoming 2014 Winter NAPE Expo, February 5-7, 2014, at the George R. Brown Convention Center in Houston. TIPRO will be located at booth #2100 - please stop by and visit us! TIPRO’s President Ed Longanecker and Director of Development Stephen Coffman will both be in attendance representing the association.

The NAPE Expo is the world’s largest E&P (upstream) expo, providing a marketplace for the buying, selling and trading of oil and gas prospects and producing properties via exhibit booths. The NAPE experience is dedicated to high-level networking and gives attendees the opportunity to visit prospectors, investors, vendors and others in the oil and gas industry. Winter NAPE now hosts approximately 1,600 booths and 16,000 attendees.

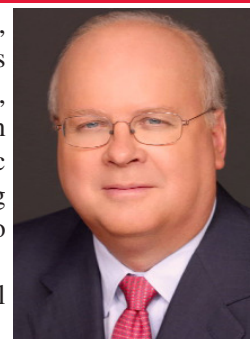
For more information or to view the schedule, floor plan and list of exhibitors, visit NAPE’s website at: www.napeexpo.com.

KARL ROVE, INDUSTRY EXECUTIVES HEADLINE TIPRO’S 68TH ANNUAL CONVENTION

The Texas Independent Producers & Royalty Owners Association (TIPRO) is proud to announce Karl Rove, former chief of staff and senior policy advisor to President George W. Bush, will speak at the association’s 68th Annual Convention in Fort Worth. The conference, which will be held March 24-26, 2014, at the Hilton Hotel, features a strong line-up of presenters and oil and gas experts. In addition to Rove, Marathon’s CEO Lee Tillman will discuss forthcoming opportunities and challenges for the E&P sector. T.M. Roe Patterson, CEO of Basic Energy Services, and Harold Hickey, president and COO of EXCO Resources, will also present during TIPRO’s Annual Convention. Elected officials and other distinguished executives will fill out an agenda sure to provide knowledge on the political landscape and future direction of the industry.

Membership present at the 2014 annual meeting will also vote on the association’s next chairman, who will succeed David F. Martineau when his term ends later this year.

To view the full convention agenda and sign-up to attend or sponsor, please see pages 4-7 of this newsletter.



Karl Rove

TIPRO'S 68TH ANNUAL CONVENTION AGENDA

MONDAY, MARCH 24

10:00 A.M. REGISTRATION OPENS
INFORMATION HALL OPENS

GENERAL SESSION

1:00 P.M. WELCOME ADDRESS
DAVID MARTINEAU,
CHAIRMAN, TIPRO

1:10 DR. ED IRELAND
EXECUTIVE DIRECTOR, BARNETT SHALE
ENERGY EDUCATION COUNCIL

2:00 REGULATORY UPDATE
LESLIE SAVAGE, RRC
MIKE WILSON, TCEQ

3:00 T.M. ROE PATTERSON
CEO, BASIC ENERGY SERVICES

4:00 BREAK

4:15 FEDERAL ISSUES UPDATE
CONGRESSMAN JOHN CARTER

5:30 WELCOME RECEPTION

7:00 DINNER ON YOUR OWN

TUESDAY, MARCH 25

7:00 A.M. REGISTRATION OPENS
INFORMATION HALL OPENS

GENERAL SESSION

8:00 MEMBERSHIP BREAKFAST

9:00 ALLEN GILMER
CO-FOUNDER, CHAIRMAN & CEO, DRILLINGINFO

10:00 HAROLD L. HICKEY
PRESIDENT & COO, EXCO RESOURCES

11:00 ECONOMIC OUTLOOK
JAN STUART
MANAGING DIRECTOR AND HEAD OF GLOBAL
ENERGY RESEARCH, CREDIT SUISSE

12:30 P.M. KEYNOTE LUNCHEON
LEE TILLMAN
CEO, MARATHON OIL

2:00 "STATE OF TALENT IN THE ENERGY INDUSTRY"
RICHARD PRENG
GLOBAL SECTOR LEADER-ENERGY, KORN FERRY INT'L

3:00 MEMBERSHIP MEETING

3:15 BREAK

3:30 STATE ISSUES PANEL
REP. MYRA CROWNOVER, TEXAS HOUSE
REP. CHRIS PADDIE, TEXAS HOUSE

5:30 PRESIDENT'S RECEPTION

7:00 CHAIRMAN'S DINNER
KARL ROVE
FORMER DEPUTY CHIEF OF STAFF AND SENIOR
ADVISOR TO PRESIDENT GEORGE W. BUSH

DON'T FORGET TO BOOK YOUR HOTEL RESERVATIONS!

Make sure to reserve your hotel room during TIPRO's 68th Annual Convention at the Hilton Hotel in Fort Worth before **February 21, 2014**, to receive the discounted group rate of **\$189**.

Book your reservation today by calling **(817) 870-2100**. You may also reserve your hotel room online by visiting:

<http://bit.ly/1dUq1oe>

WEDNESDAY, MARCH 26

8:30 A.M. TIPRO AUDIT COMMITTEE MEETING

10:00 TIPRO BOARD MEMBER MEETING



REGISTER TODAY FOR TIPRO'S CONVENTION!

MEMBER REGISTRATION FEES:

INCLUDES ALL AGENDA EVENTS & MEALS

MEMBER - FULL REGISTRATION: \$495

SPOUSE - FULL REGISTRATION: \$325

EVENT-SPECIFIC TICKETS:

TUESDAY-ONLY BADGE: \$395

DINNER-ONLY TICKET: \$250

NON-MEMBER REGISTRATION FEES:

INCLUDES ALL AGENDA EVENTS & MEALS

NON-MEMBER - FULL REGISTRATION: \$695
(REGISTRATION INCLUDES 1 YEAR REGULAR TIPRO MEMBERSHIP)

NON-MEMBER SPOUSE - FULL REGISTRATION: \$475

EVENT-SPECIFIC, NON-MEMBER TICKETS:

TUESDAY-ONLY BADGE: \$595

DINNER-ONLY TICKET: \$300



Have special dietary needs or other considerations? Please contact TIPRO staff at (512) 477-4452.

FAX FORM TO (512) 476-8070
OR VISIT WWW.TIPRO.ORG
FOR ONLINE REGISTRATION

ATTENDEE INFORMATION

Name of Attendee: _____

Company: _____

Address: _____

City/State/Zip Code: _____

Phone: _____ Fax: _____

E-mail: _____

Registered Spouse: _____



PAYMENT INFORMATION

Payment Method: VISA MASTERCARD AMEX CHECK NO: _____

Print Name: _____ Company: _____

Billing Address: _____

Credit Card No.: _____ Exp. Date: _____

Signature: _____ CID: _____

CANCELLATION POLICY

In order to receive a refund, TIPRO must be notified of your cancellation no later than **Friday, March 14, 2014**

Return registration form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701.
Registration forms must be accompanied by payment.



TIPRO'S 68TH ANNUAL CONVENTION SPONSORSHIP OPPORTUNITIES

GOLD LEVEL

\$10,000

- Four all-access badges to the Convention
- Four additional tickets for non-registered guests to the Chairman's Dinner
- Reserved table for eight at Chairman's Dinner
- Acknowledgement in all event promotions
- Full-page advertisement in the Convention program
- Half-page advertisement in *The TIPRO Target* newsletter
- Premium exhibit space in the Information Hall*

BLUE RIBBON

\$3,500

- Two all-access badges to the Convention
- Acknowledgement in all event promotions
- Quarter-page advertisement in the Convention program
- Half-page advertisement in *The TIPRO Target* newsletter
- Exhibit space in the Information Hall*

SILVER LEVEL

\$7,500

- Three all-access badges to the Convention
- Three additional tickets to invite non-registered guests to the Chairman's Dinner
- Acknowledgement in all event promotions
- Full-page advertisement in the Convention program
- Half-page advertisement in *The TIPRO Target* newsletter
- Premium exhibit space in the Information Hall*

RED RIBBON

\$2,500

- One all-access badge to the Convention
- Acknowledgement in all event promotions
- Quarter-page advertisement in the Convention program
- Quarter-page advertisement in *The TIPRO Target* newsletter
- Exhibit space in the Information Hall*

BRONZE LEVEL

\$5,000

- Two all-access badges to the Convention
- Two additional tickets to invite non-registered guests to the Chairman's Dinner
- Acknowledgement in all event promotions
- Half-page advertisement in the Convention program
- Half-page advertisement in *The TIPRO Target* newsletter
- Exhibit space in the Information Hall*

WHITE RIBBON

\$1,500

- One all-access badge to the Convention
- Acknowledgement in all event promotions
- Acknowledgement in the Convention program
- Acknowledgement in *The TIPRO Target* newsletter
- Exhibit space in the Information Hall*

REGISTRATION SPONSORSHIPS

TOTE BAG SPONSOR

\$3,000

- Company logo featured on tote bags***
- One all-access badge to the Convention
- Acknowledgement in all event promotions
- * LIMIT ONE SPONSORSHIP

LANYARD SPONSOR

\$2,000

- Company logo featured on conference lanyards***
- One all-access badge to the Convention
- Acknowledgement in all event promotions
- * LIMIT ONE SPONSORSHIP

HOSPITALITY SUITE SPONSOR

\$2,500

- Signage in hospitality suite
- One all-access badge to the Convention
- Acknowledgement in all event promotions
- * LIMIT ONE SPONSORSHIP

TURN-DOWN AMENITY

\$2,000

- Each meeting attendee will receive a TIPRO-selected gift, with the sponsoring company logo featured***
- One all-access badge to the Convention
- Acknowledgement in all event promotions
- * LIMIT ONE SPONSORSHIP

NOTEBOOK SPONSOR

\$2,500

- Company logo featured on notebooks***
- One all-access badge to the Convention
- Acknowledgement in all event promotions
- * LIMIT ONE SPONSORSHIP

EXHIBIT OPPORTUNITIES

INFORMATIONAL HALL BOOTH SPACE

\$500**

This year, the Information Hall will be available to all sponsors. Individual companies may also purchase exhibit space. This unique opportunity is only available for 20 exhibitors, and will be granted on a first-come, first-serve basis. The Information Hall is sure to be an exciting mix of services, resources and products in a personalized environment for Annual Convention attendees.

- Tabletop or 10x10 booth in exhibit area
- 8'-backwall and 3'-sidewall pipe and drape
- Post-conference attendee list in PDF format
- Company listing in the Convention program
- Booth identification sign
- Table, chairs, carpet and trash can provided

Booth purchases do not include electricity or internet connection (these are available by request and may include an additional fee).

* Exhibit space is limited and will be granted on a first-come, first-serve basis.

** Non-sponsoring exhibitors must also purchase one regularly priced registration badges to the Convention.

*** Please note: all sponsorship logos on registration items are limited to one-color.

For additional information, please contact TIPRO's Director of Development Stephen Coffman at (512) 477-4452.

ANNUAL CONVENTION SPONSOR REGISTRATION

SPONSORSHIP LEVELS (CHECK DESIRED SPONSORSHIP CHOICE)

- | | | | |
|---------------------------------|-----------|---------------------------------------|----------|
| <input type="checkbox"/> GOLD | \$ 10,000 | <input type="checkbox"/> BLUE RIBBON | \$ 3,500 |
| <input type="checkbox"/> SILVER | \$ 7,500 | <input type="checkbox"/> RED RIBBON | \$ 2,500 |
| <input type="checkbox"/> BRONZE | \$ 5,000 | <input type="checkbox"/> WHITE RIBBON | \$ 1,500 |

REGISTRATION SPONSORSHIPS (CHECK DESIRED SPONSORSHIP CHOICE)

- | | | | |
|--|----------|--|----------|
| <input type="checkbox"/> TOTE BAG SPONSOR | \$ 3,000 | <input type="checkbox"/> LANYARD SPONSOR | \$ 2,000 |
| <input type="checkbox"/> HOSPITALITY SUITE SPONSOR | \$ 2,500 | <input type="checkbox"/> TURN-DOWN AMENITY | \$ 2,000 |
| <input type="checkbox"/> NOTEBOOK SPONSOR | \$ 2,500 | <input type="checkbox"/> EXHIBIT HALL SPACE* | \$ 500 |

* Exhibit space is limited and will be granted on a first-come, first-serve basis.
Non-sponsoring exhibitors must also purchase one regularly priced registration badges to the Convention.

ATTENDEE INFORMATION

BADGE 1:

Name of Attendee: _____

Company: _____

Address: _____

City/State/Zip Code: _____

Phone: _____ Fax: _____

E-mail: _____



BADGE 2:

Name of Attendee: _____ Company: _____

Phone: _____ E-mail: _____

BADGE 3:

Name of Attendee: _____ Company: _____

Phone: _____ E-mail: _____

BADGE 4:

Name of Attendee: _____ Company: _____

Phone: _____ E-mail: _____

PAYMENT INFORMATION

Sponsorship Total: \$ _____

Payment Method: VISA MASTERCARD AMEX CHECK NO: _____

Print Name: _____ Company: _____

Billing Address: _____

Credit Card No.: _____ Exp. Date: _____

Signature: _____ CID: _____

Please return form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701 or fax to (512) 476-8070.
Forms must be accompanied by payment.



FEBRUARY 5-7
HOUSTON, TX
GEORGE R. BROWN
CONVENTION CENTER
#Winter_NAPE

2014



NAPE INTERNATIONAL
HOUSTON | WINTER

FEBRUARY 4-7 • HOUSTON, TX
GEORGE R. BROWN CONVENTION CENTER
#NAPE_Int

NAPE EAST
PITTSBURGH | SPRING

APRIL 9-11 • PITTSBURGH, PA
DAVID L. LAWRENCE CONVENTION CENTER
#NAPE_East

NAPE SOUTH
HOUSTON | SUMMER

AUGUST 20-22 • HOUSTON, TX
GEORGE R. BROWN CONVENTION CENTER
#NAPE_South

NAPE ROCKIES
DENVER | FALL

DECEMBER 10-12 • DENVER, CO
COLORADO CONVENTION CENTER
#NAPE_Rockies



Register now! www.napeexpo.com



**Texas Independent
Producers &
Royalty Owners
Association**

With more than 2,500 members, TIPRO is the nation's largest statewide association representing both independent producers and royalty owners. Our members include small family-owned companies, the largest publicly traded independents and large and small mineral estates and trusts.

919 Congress Avenue, Suite 1000
Austin, Texas 78701
Phone: (512) 477-4452
Fax: (512) 476-8070
www.tipro.org