



**Texas
Independent
Producers and
Royalty Owners
Association**

REGISTER FOR TIPRO'S 2014 SUMMER CONFERENCE & GOLF TOURNAMENT!

Sign up today to attend TIPRO's annual Summer Conference and Golf Tournament, set to be held August 7-9, 2014, at the Hyatt Hill Country Resort & Spa in San Antonio, Texas. With an agenda full of insightful presentations and entertaining activities, this will not be an event you want to miss.

This year's conference will feature an outstanding line-up of speakers, including executive leaders, regulatory officials and industry experts. General session presentations will cover a wide range of topics, including: pending regulatory changes for the E&P sector, preview of the upcoming legislative session and a complete political analysis during this crucial election year. Speakers will also touch on recent regulatory action by the Obama administration and discuss the latest developments regarding endangered species listings by the U.S. Fish & Wildlife Service. Additionally, TIPRO is excited to announce Timothy L. Dove, president and chief operating officer of Pioneer Natural Resources, will provide the keynote address for this year's summer conference.

Attendees of the summer meeting will also enjoy the chance to reconnect with fellow TIPRO members and network with other professionals in the Texas oil and gas industry. This is also a family-friendly event, so we encourage you to bring your spouse and children along for the fun. Whether you go for par on the golf course or take advantage of the resort's Lazy River, you are sure to create great memories while staying as a guest at this fun Hill Country resort.

For more details regarding TIPRO's conference and golf tournament, please see pages 3-5 of this newsletter. Information is also available online through TIPRO's website at www.tipro.org.

TIPRO WELCOMES NEW INCOMING CHAIRMAN, RAYMOND JAMES WELDER III

On July 1, 2014, the Texas Independent Producers & Royalty Owners Association (TIPRO) will welcome a new chairman of the board, as Raymond James Welder III succeeds David F. Martineau in the leadership position. Welder is the president and CEO of Welder Exploration & Production, Inc., an oil and natural gas production company headquartered in San Antonio. Prior to founding the company, he was a staff exploration geologist for the Dan A. Hughes Company in his hometown of Beeville, Texas.

In addition to his role on the board for TIPRO, Welder is also chairman of the Rockford Institute, president of the Post Cambrian Log Library Association, a member of the St. Mary's Hall Board of Trustees, a member of the American Swiss Foundation Board of Directors and a member of the San Antonio-chapter of the Young Presidents' Organization (YPO). Formerly he also served as treasurer of the South Texas Geological Society, chairman of the St. Anthony's Catholic School Board and president of the Washington and Lee University-San Antonio Alumni Chapter. He was recognized as one of the Best CEOs in the Texas oil and gas industry as part of the 2012 Texas Top Producer awards. He was also recipient of the 2008 Boss of the Year Award by the San Antonio Desk and Derrick Association.

Raised in Bee County, Texas, Welder holds a Bachelor of Arts degree in geology and European history from Washington and Lee University in Lexington, Virginia.



Ray Welder

NEW STUDY TOUTS ECONOMIC IMPACT OF KEYSTONE'S SOUTHERN LEG ON TEXAS, OKLAHOMA

Construction of the southern leg of the Keystone pipeline has already generated \$3.6 billion in economic activity in the Lone Star State, in addition to contributing \$2.1 billion in the state of Oklahoma, according to a new report released on June 25. The study, which was prepared by researchers at the Maguire Energy Institute at Southern Methodist University for the Consumer Energy Alliance, examined the total economic effect of the 485-mile portion of Keystone pipeline known as the Gulf Coast Extension or the Gulf Coast Project, which opened earlier this year. The 36-inch crude oil pipeline begins in Cushing, Oklahoma, and extends south to Nederland, Texas. It was designed to help carry crude to the Gulf Coast refinery marketplace.

"Local restaurants, hotels and businesses experienced a significant boost thanks to construction of the Gulf Coast Project," said the report. "Business owners in Texas and Oklahoma reported large increases in volume due to the construction of the pipeline. During construction, TransCanada spent roughly \$6 million each month directly with local businesses in Texas and Oklahoma."

Construction of the Gulf Coast Pipeline Project required \$2.3 billion in private-sector investment, according to the study, and supported nearly 4,850 jobs over the last two years.

Story continued on page 6...

CHAIRMAN'S MESSAGE

TIPRO Members -

In my final days serving as the chairman of TIPRO, I want to take a moment to express how proud I am of the many accomplishments by our association - as well as our industry as a whole - during the last two years. It is remarkable to think how much we have achieved in just a couple short years, and I have truly appreciated the opportunity to lead an organization like TIPRO, which is dedicated to protecting the interests of our state's independent producers and royalty owners.

Since I began my chairmanship in the summer of 2012, we have seen the shale revolution continue to spread, not only across the Lone Star State but also throughout the country. New formations have been discovered, like the Cline Shale in West Texas and the Pearsall in South Texas, offering additional opportunities to develop mineral resources. Meanwhile, other plays such as the Eagle Ford keep growing north into the Eaglebine. Advancing drilling technologies have also permitted operators to recover more oil and gas, all while reducing environmental impact. As a result, domestic production of oil and natural gas has skyrocketed at historical rates and is now reaching record-breaking levels of output.

Thanks to this rise in U.S. oil and gas production over the last few years, we've seen a plethora of economic benefits, from an expansion of the job market to an upswing of much-needed revenue for our government treasuries. Moreover, hundreds of thousands of mineral owners in Texas now receive extra income from royalty payments, helping further generate added economic stimulus. In the last two years, we have also enhanced our national energy security, and greatly reduced our dependence on foreign crude.

Of course, despite the many positive gains from domestic oil and gas development, there are still challenges which threaten to stand in our industry's way in the future. We must continue to closely monitor proposed regulations by federal agencies such as the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Interior (DOI), which are currently working to impose tougher restrictions on hydraulic fracturing, horizontal drilling and carbon emissions. Plus, the anti-oil and gas environmentalists who want to ban fracking.

We will also have our work cut out for us on the state level, as we prepare for the 84th Texas Legislative Session that kicks off next January. Water, roads and tax provisions are just a few issues that will be reviewed by legislators in Austin next session. However, I'm confident in the team we have at TIPRO, in addition to the leadership that will be provided by incoming chairman Ray Welder, along with our full board of directors.

In conclusion, I want to thank all of you for your ongoing support of our association. I urge you to continue to actively engage in TIPRO by joining one of our committees, increasing your membership dues and event sponsorships, and attending TIPRO meetings. In doing so, we will continue to be successful with our efforts to preserve the ability to explore and produce oil and gas.

Sincerely,




David F. Martineau

PUBLIC FORUM EXPLORES SEISMIC ACTIVITY IN NORTH TEXAS

On the evening of Wednesday, June 18, close to 130 residents from Azle and Reno gathered at the Azle High School Auditorium to learn more about what could be causing seismic activity in their region of the state. The free event, hosted by KERA/StateImpact Texas, featured a panel that included state Representative Phil King (R-Weatherford), Reno Mayor Lynda Stokes, SMU associate professor of geophysics Heather DeShon, Bill Stevens from the Texas Alliance of Energy Producers and Mose Buchele, a State Impact Texas reporter who has covered the energy industry for years. Many were surprised that the Railroad Commission's seismologist Craig Pearson was not invited to participate in the forum, as he could have provided insight into the agency's ongoing investigation on the matter.

During the panel discussion, officials and experts answered questions regarding the swarm of earthquakes in North Texas since late last year. They also provided an update on current research efforts by Texas universities, which are in the process of collecting data to measure earthquake activity. DeShon, who is among the academic experts studying the issue and also served as a panelist at the Azle forum on Wednesday night, indicated that researchers now know where the earthquakes are occurring and what sense of displacement takes place along faults, but they are still trying to understand if there is a direct link between oil and gas industry activities and nearby earthquakes.

TIPRO Calendar of Events

<p>JULY 9, 2014 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.</p>	<p>JULY 9-10, 2014 SAN ANTONIO — South Texas Oilfield Expo, Henry B. Gonzalez Convention Center. For info, call: (866) 918-5550.</p>	<p>AUGUST 7-9, 2014 SAN ANTONIO — TIPRO's Summer Conference & Golf Tournament, Hyatt Hill Country Resort. For info, call: (512) 477-4452.</p>	<p>AUGUST 13, 2014 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.</p>
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YOU'RE INVITED TO TIPRO'S SUMMER CONFERENCE!

Register today for TIPRO's 2014 Summer Conference & Golf Tournament! This year's meeting is scheduled to be held at the Hyatt Hill Country Resort & Spa in San Antonio, Texas, on August 7-9.

This annual event brings together independent producers, royalty owners, industry leaders, government officials and other oil and gas professionals, providing a platform to discuss current and future challenges for the Texas E&P sector.

Conference agenda:

Thursday, August 7, 2014

- 1:30 p.m. Audit Committee Meeting
- 3:00 p.m. Board Meeting
- 5:30 p.m. Welcome Reception

Friday, August 8, 2014

- 8:00 a.m. Breakfast
- 8:30 a.m. Ryan Sitton,
Candidate for the Texas Railroad Commission
- 9:15 a.m. Speaker To Be Announced
- 10:15 a.m. Endangered Species Discussion
Sean Kyle,
Texas Parks & Wildlife Department
- Noon Keynote Luncheon
Timothy L. Dove,
President & Chief Operating Officer, Pioneer Natural Resources
- 2:00 p.m. Crude Oil and LNG Export Update
Jason French,
Director of Government Affairs, Cheniere
- 2:30 p.m. 2014 Election Outlook
Steve Koebele,
Political Strategist, Texas Counsel
- 3:30 p.m. Speaker To Be Announced
- 4:30 p.m. Break
- 6:30 p.m. Chairman's Dinner & Casino Night

Saturday, August 9, 2014

- 7:30 a.m. TIPRO's Annual Golf Tournament

TIPRO's Summer Meeting also provides several opportunities to network with other members of the association and form new business connections. To register to attend, please fill out and return the forms in this newsletter, or call (512) 477-4452. Online registration is also available at www.tipro.org.

HOTEL ACCOMODATIONS

Don't forget to reserve your room at the Hyatt Hill Country Resort! To book your reservation, call the Hyatt Hill Country at (210) 647-1234. Ask for the TIPRO rate of \$196. You can also reserve your room online by visiting the following website: <http://bit.ly/1qVhbTi>.

Please note that the deadline for the group discount at the Hyatt will be July 17, 2014.

CONFERENCE REGISTRATION INFORMATION

REGISTRATION FEES:

MEMBER FEES:

(Includes all conference sessions & meals)

- Member: \$395
- Spouse: \$245

CHILDREN:

- 13-17 Years Old: \$100
- 12 Years Old - Under: Free
- Dinner-Only Ticket: \$150

NON-MEMBER FEES:

(Includes all conference sessions & meals)

- Non-Member*: \$595
*Registration also includes 1 year regular TIPRO Membership
- Non-Member Spouse: \$295

CHILDREN:

- 13-17 Years Old: \$100
- 12 Years Old - Under: Free
- Dinner-Only Ticket: \$250



ATTENDEE INFORMATION:

Attendee Name: _____ Registered Spouse: _____

Company: _____

Address: _____

City/State/Zip Code: _____

Email Address: _____

Phone: _____ Fax: _____

Children's Names: _____

T-Shirt Size (please indicate shirt size for each registrant):

___ Youth Small ___ Youth Medium ___ Youth Large ___ Small ___ Medium ___ Large ___ XLarge ___ XXLarge

In order to help us plan our conference, below please confirm which events you will be attending by checking the corresponding box:

	Member/Non-member	Spouse	Child	Child	Child
Welcome Reception	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Breakfast	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Keynote Luncheon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chairman's Dinner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PAYMENT:

Total: \$ _____

Method of payment (please check desired option):

- Check # _____, made payable to TIPRO
- Charge my: VISA MASTERCARD AMEX

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

Name	Company	
Phone Number	Credit Card Number	Exp. Date
Billing Address	Security Code	Signature

*Registrations with shirt sizes must be submitted by July 25, 2014, to receive guaranteed size.
Please return completed form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701 or fax to (512) 476-8070.
Online registration is also available at www.tipro.org.
Forms must be accompanied by payment. No refunds after August 1, 2014.*

Register for TIPRO's Annual Golf Tournament

DATE:

Saturday, August 9, 2014

TEE TIME:

7:30 a.m.

LOCATION:

Hyatt Hill Country Resort
San Antonio, Texas

FORMAT:

Four-Man Scramble

COMPETITIONS:

Hole-in-One Car
Giveaway, Longest Drive
Contest, Closest to the
Pin, and much more!

FOUR SOME:

\$700

INDIVIDUAL:

\$200

QUESTIONS?

Contact TIPRO at
(512) 477-4452 or email
info@tipro.org.



GOLF SPONSORSHIPS:

19TH HOLE LUNCHEON & AWARDS SPONSOR*: \$5,000

Receive 2 complimentary golf registrations, 1 complimentary meeting registration, company logo featured on tournament trophies, exclusive opportunity to present golf awards and company logo prominently displayed on all event signage.

GOLF GOODIE BAG SPONSOR*: \$2,000

Receive 1 complimentary golf registration and company logo featured on golf goodie bag.

GOLF TOWEL SPONSOR*: \$2,000

Receive 1 complimentary golf registration and company logo featured on golf tournament towel.

~~GOLF HAT SPONSOR*: \$2,000 *SOLD OUT*~~

Receive 1 complimentary golf registration and company logo printed on golf tournament hat.

DIVOT TOOL & BALL MARKER SET SPONSOR*: \$1,500

Receive 1 complimentary golf registration and company logo printed on divot tool & ball marker set.

~~BEVERAGE CART SPONSOR (2 SPONSORSHIPS AVAILABLE): \$1,500 *SOLD OUT*~~

Receive 1 complimentary golf registration and company logo featured on tournament beverage carts. Sponsors may use golf cart to interact with and hand out promotional items to tournament participants.

DRIVING RANGE SPONSOR*: \$750

Receive 1 complimentary golf registration and company logo displayed prominently on signage on driving range prior to tournament.

HOLE SPONSOR: \$500

Company logo on signage and opportunity to interact with tournament participants at assigned tee box.

*One sponsorship available

PARTICIPANTS:

Name:	Company:	Email Address:	Handicap:

PAYMENT:

Total: \$ _____

Method of payment (please check desired option):

Check # _____, made payable to TIPRO

Charge my: VISA MASTERCARD AMEX

Name

Company

Phone Number

Credit Card Number

Exp. Date

Billing Address

Security Code

Signature

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.

GOVERNORS MEET TO DISCUSS NATIONAL ENERGY POLICIES

Gathering in Houston on Monday, June 16, governors from energy-rich states met to discuss federal oversight of oil and gas development in America. The meeting, hosted by the Republican Governors Association, included Texas Governor Rick Perry, Louisiana Governor Bobby Jindal, North Dakota Governor Jack Dalrymple and Wyoming Governor Matt Mead.

During their conversation, the four leaders expressed concerns over the Obama administration's latest environmental regulations, as well as discussed other failed White House energy policies. The governors also shared success stories on how their states have been able to implement true "all-of-the-above" energy policies in recent years, allowing diversification of the states' energy production without hurting the economy.

Later that same day, nine Republican governors signed a letter that was sent to President Obama urging him to abandon his administration's recent proposal for burdensome greenhouse gas emissions standards and instead pursue a more pragmatic energy policy where states take the lead.

The letter read, "As you know, the energy industry is a major source of job creation in our country, providing employment to millions of our citizens and bolstering U.S. economic competitiveness. America was able to meet almost 90 percent of its energy needs last year — the most since March 1985 — in large part because of increased domestic energy production. We take pride in the fact that domestic production largely powers America and increasingly other economies as well, helping to eradicate poverty and to provide political stability around the globe. Development of our resources has put more money in the pockets of working families and has helped the poor and elderly on fixed incomes, who can now more easily afford to run their air conditioning in the heat of the summer."

"As representatives of the citizens who stand to lose so much while gaining next to nothing, it is our duty to confront this issue and to ask that you rescind the regulations you have put forth. Disposing of these regulations will protect Americans from the costs and burdens the rules would impose upon them and will ensure the continuation of America's energy renaissance, which is indispensable to our country's economic recovery and job creation and which is largely a result of state policies."

INDEPENDENTS LEAD GROWTH IN OIL AND GAS RESERVES

A new analysis released this week by Ernst & Young estimates that U.S. oil and gas reserves each increased by 9 percent in 2013, indicating strong growth for the E&P sector last year. In shale plays specifically, a majority of the gains were secured by independent producers, who are more nimble at acquiring acreage and building their footprint.

"The promising oil and natural gas reserves and profit increases are certainly signs that the industry is enjoying more stability than it has in recent years," said Deborah Byers, oil and gas leader for Ernst & Young's U.S. division. "While we saw lower capital expenditure numbers in 2013, that is due in part to the advancement in technologies and processes that are making exploration and production less expensive and more efficient."

The annual study looked at U.S. exploration and production spending and performance data over the past five years for the largest 50 companies based on end-of-year oil and gas reserve estimates.

KEYSTONE ECONOMIC STUDY... CONTINUED FROM PAGE 1

In addition, through more than 50 contracts with U.S. manufacturers and companies, the Gulf Coast Extension also called for the manufacturing of more than 485 miles of high-strength, advanced oil pipeline (36-inch diameter); hundreds of large valves; thousands of fittings; thousands of pieces of equipment used to build transformers, meters, electric motors, cabling and electrical equipment; and piping assembling and structural steel for supports.

The new Keystone report not only put a spotlight on the positive impact of the Gulf Coast Project on local businesses and job creation in the states of Texas and Oklahoma, it also stressed the importance of more pipeline infrastructure development in order to support booming North American energy production.

"The pipeline provides Gulf Coast refineries with access to lower cost North American production and reduces the U.S. reliance on OPEC sources of crude oil. The project will also help relieve the glut of crude oil that has been sitting in storage at Cushing for the past few years. Because of the lack of transportation infrastructure, refiners on the Gulf Coast have been forced to buy higher priced foreign oil. Since the opening of the Gulf Coast Project, North American oil has finally begun to make its way from Cushing to refineries on the Gulf Coast."

RRC TO HOST OIL & GAS REGULATORY CONFERENCE & TECHNICAL WORKSHOP IN AUGUST

This year the Railroad Commission's Oil and Gas Division has revised the format and content of its regulatory seminars to include a more advanced forum and technical aspects in efforts to address industry needs. Members of the Texas oil and gas industry are encouraged to register for the agency's upcoming regulatory seminar, which will take place August 19-20 in San Antonio, Texas.

The conference will cover a variety of topics, including: an introduction to drilling permits and online filing, a panel discussion on Texas natural gas, an overview of the commission's new website, an update on Statewide Rule 32 relating to venting and flaring, and much more.

View the full agenda and register to attend by visiting: www.rrc.state.tx.us/oil-gas/events/oil-and-gas-regulatory-conference-and-technical-workshop.

YOUR TICKET IS HERE!

Bring this ad to registration to attend
the South Texas Oilfield Expo for FREE!

TWO DAYS ONLY; JULY 9-10, 2014

HENRY B GONZALEZ CONV. CENTER, SAN ANTONIO, TX



**Attendance Policy Applies*

**OVER 600 VENDORS | NEW TECHNOLOGY
HEAVY EQUIPMENT DISPLAYS
PRODUCT DEMONSTRATIONS**



Contact us for more information: call (866) 918-5550.
TexasClassicProductions.com | Oilfield-Expo.com



TEXAS
MOTOR SPEEDWAY.

The Great American Speedway!

All attendees are entered to win tickets to the Texas 500!

Public attendance policy applies. Visit Attend.SouthTexasOilfieldExpo.com for more information.
All attendees must give current business card to be eligible for drawing.



YOUR ONLINE E&P WORKSPACE

WellBitz gives your team a single place to upload, organize, and view oilfield data and documents.

— FREE for 90 days. Start now at WellBitz.com —



TIPRO

**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.

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