



# THE TIPRO TARGET



**Texas  
Independent  
Producers and  
Royalty Owners  
Association**

## **Biden Administration says proposed plan for offshore oil and gas leasing program is coming this summer**

While providing testimony during a U.S. Senate Energy and Natural Resources Committee hearing, Secretary of the Interior Deb Haaland at the end of May confirmed that the Biden Administration intends to release a proposed five-year offshore oil and gas leasing program by June 30, 2022, the expiration date of the government's current offshore leasing program. Secretary Haaland blamed the previous administration for a lapse in work on the next offshore program, indicating that the Interior has been playing "catch up" to pull together the government's next proposed program for offshore oil and natural gas drilling and development. The secretary also cited ongoing litigation and other legal challenges which have caused work on the leasing program to otherwise be delayed. "As we take this next step, we will follow the science and the law, as we always do. This requires a robust and transparent review process that includes input from states, the public and Tribes to inform our decision-making. We take this responsibility seriously without any pre-judgment of the outcome," affirmed Secretary Haaland.

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## **Texas Sunset Advisory Commission releases staff report on TCEQ review**

During the upcoming legislative cycle, the Texas Commission on Environmental Quality (TCEQ), the environmental agency for the state, will undergo a government-mandated "sunset review" by lawmakers, who will consider whether to allow the agency to continue its operations for the next 12 years or vote to abolish the regulatory commission and transfer its functions to another agency with related purpose. The sunset review process is already underway, beginning with extensive research and analysis completed by the staff of the Sunset Advisory Commission, who evaluate the need for, performance and potential improvements of the respective state agency being examined. Later, Sunset Advisory commissioners deliberate on the staff recommendations and vote on what changes should be provided to the Texas Legislature for consideration. Finally, legislators consider the Sunset Advisory Commission's recommendations and make final decisions on the future of the state agency.

Last Fall, the TCEQ submitted its own self-prepared evaluation to the Sunset Commission detailing the mission of the agency, TCEQ's core objectives and its key functions. The TCEQ report also identified and described ongoing efforts by the state of Texas to protect natural resources and explained how the agency is taking on a broader role of protecting public health and conserving natural resources for future generations of Texans. More recently, at the end of May, staff of the Texas Sunset Advisory Commission published their own report on the work of the TCEQ. The Sunset Staff report found a continued need for the TCEQ, with Sunset staff suggesting ways to create greater transparency and opportunities for meaningful public input, as well as adopt improvements to compliance monitoring and enforcement processes along with water oversight, amongst other solutions to enhance TCEQ's regulatory work.

TIPRO members can read the full Sunset Advisory Commission Staff Report on the TCEQ by visiting <https://bit.ly/38Lq3Zi>.

## **Read the new issue of TIPRO's *Upstream Texas* magazine, out now!**

The new edition of TIPRO's *Upstream Texas* magazine is out and soon will be hitting the mailboxes of TIPRO members. As the association's official bi-annual magazine, *Upstream Texas* features insights into the opportunities and challenges currently facing the Texas oil and gas industry, as well as profiles key industry players and regulators.

Inside of the new Spring/Summer issue of the TIPRO magazine, the association takes a closer look at the pressing need for more energy infrastructure investment and development in the United States. Demand for oil and natural gas continues to surge, both domestically and in international markets, but is the country taking the steps necessary to ensure that adequate infrastructure systems are in place to keep pace with transporting energy supplies to market? Experts in this special TIPRO feature discuss why the nation's leaders must collectively work together to create a stable energy future in America by adopting policies that will encourage investment in pipeline infrastructure as well as allow the construction of more export terminals and facilities in the U.S.

Additionally, with rapid shifts to energy markets and a rise in drilling activity in the United States, experts from oil and gas data analytics company Enverus in this new edition of *Upstream Texas* examine some of the challenges producers are currently facing, including higher costs for materials and supply limitations, particularly in the Permian Basin.

Finally, in the 'Spring/Summer 2022' edition of *Upstream Texas*, TIPRO is excited to highlight top officials and industry leaders, including Speaker of the Texas House Dade Phelan (R-Beaumont), Texas Water Development Board (TWDB) Chairwoman Brooke Paup and EnerVest President and CEO Jud Walker.

Members of TIPRO can read the new issue of *Upstream Texas* online by visiting: <https://bit.ly/Summer2022UpstreamTexas>.



## President's message

TIPRO Members,

With the Memorial Day holiday weekend now passed, many of us are enjoying the unofficial start of summer. This time of year usually allows an opportunity for Americans to hit the road and travel, though record-high gasoline prices are forcing some to cut back on their summer plans. On Monday, gas prices spiked to a national average of \$4.62 per gallon, according to the American Automobile Association (AAA). This was \$1.58 per gallon more than prices recorded at this same time a year ago and comes as Americans are already struggling to keep up with other soaring expenses caused by inflation, supply chain woes and other market pressures.

Discussion and debates over the high prices of gas and consumer goods continue to dominate in Washington, while elected officials attempt to come up with solutions to bring American families some relief. Unfortunately, many of the policies being considered today by federal lawmakers to address the energy and economic crisis simply miss the mark. In some cases, politicians who are unwilling to take responsibility for the impact of their own failed energy policies are instead trying to blame oil and natural gas producers for circumstances, including accusations that companies are price gouging and manipulating markets. This is strictly political theater, and as the members of TIPRO well know, commodity prices are not set by some shadowy cabal of companies but rather are a result of a combination of many factors, market dynamics and economic influences. Over the past three decades, there have been more than 100 investigations and lawsuits brought by consumers, the Federal Trade Commission and states' attorneys general alleging similar conspiracies in the gasoline market, none of which have shown even a hint of wrongdoing from domestic producers.

As I recently told media reporters, Texas operators are responding to the call to increase production, despite facing numerous challenges, including inflationary pressures, workforce shortages and an adversarial federal policy environment. This growth in drilling activity and energy development will certainly help to prop up U.S. oil and gas production levels and provide greater supplies to meet rising energy demands here and abroad.

Still, as more production comes online, we need politicians to stop interrogating oil and gas executives, making false accusations and pushing for more taxes and regulations on American producers, and instead work collaboratively to create a coherent strategy that accommodates our current and future energy needs. It is pivotal that our nation offers a regulatory environment that supports domestic energy production, including expediting the government's permitting process and encouraging further investments in energy infrastructure, including pipelines and LNG export facilities.

Though consumers are having to pay more for the energy they use everyday, I do want to take a moment to clarify growing exports of U.S. oil and liquefied natural gas (LNG) are not the cause of higher energy prices we're seeing today. Some politicians have tried to promote false theories suggesting that if America did not send its supplies of natural gas and oil abroad, it might allow the nation to have more stockpiles at home to keep up with demand. However, industry leaders and experts alike have distinguished that these arguments are in fact inaccurate and misleading. Limits on exports are unlikely to increase supply and decrease prices in the long run and would instead threaten serious economic consequences. Data recently analyzed by Texans for Natural Gas (TNG), a TIPRO campaign, is helping set the record straight on this important topic, explaining that growing exports aren't taking away energy supplies from the everyday American consumer nor driving the increase in energy costs. I encourage our members to read more on this by visiting the TNG website at: <https://bit.ly/38IBuAY>.

Through our TNG education campaign and other advocacy efforts by the association, TIPRO will continue to serve our mission to promote the ability to explore and produce oil and natural gas, spreading awareness and understanding on the importance of increasing domestic oil and gas development, which will help keep energy affordable for Americans. Regards,

Ed Longanecker



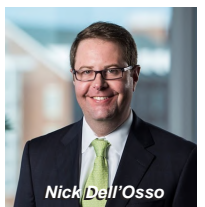
**Ed Longanecker**

## Chesapeake CEO to speak as featured guest during June "Leaders in Industry" luncheon

Domenic "Nick" Dell'Osso, president and chief executive officer of Chesapeake Energy Corporation, will speak at the next "Leaders in Industry" luncheon hosted by the Texas Independent Producers & Royalty Owners Association (TIPRO), Independent Petroleum Association of America (IPAA) and Houston Producers Forum.

Dell'Osso was appointed as the leader of Chesapeake in October 2021, and previously served as the company's executive vice president and chief financial officer since November 2010. Prior to that time, he was vice president of finance and chief financial officer of Chesapeake's wholly owned midstream subsidiary Chesapeake Midstream Development, L.P. from August 2008 to November 2010. Earlier in his career, before joining Chesapeake, Dell'Osso was an energy investment banker with Jefferies & Co. from 2006 to 2008 and Banc of America Securities from 2004 to 2006.

The upcoming "Leaders in Industry" luncheon is scheduled to take place on Tuesday, June 21<sup>st</sup> at the Houston Petroleum Club. To reserve your seat for the event, please visit <https://bit.ly/3MHec8D>.



**Nick Dell'Osso**

## TIPRO CALENDAR OF EVENTS

**JUNE 21, 2022**

HOUSTON — TIPRO/IPAA/HPF  
"Leaders in Industry" Luncheon.

For information, email

[info@houstonproducersforum.org](mailto:info@houstonproducersforum.org).

**JULY 19, 2022**

HOUSTON — TIPRO/IPAA/HPF  
"Leaders in Industry" Luncheon.

For information, email

[info@houstonproducersforum.org](mailto:info@houstonproducersforum.org).

**AUGUST 16, 2022**

HOUSTON — TIPRO/IPAA/HPF  
"Leaders in Industry" Luncheon.

For information, email

[info@houstonproducersforum.org](mailto:info@houstonproducersforum.org).

## TIPRO membership account update

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TIPRO will soon transition to a new CRM database system called Wild Apricot, which will allow members of the association to access their membership profile and benefits online. TIPRO will rely on the database system to communicate association news and updates with members. Through the new membership database, members will also be able to renew their membership online, update their contact information, register for a TIPRO event and gain online access to TIPRO's membership directory and publications. Please note that your *TIPRO Target* newsletter will also be sent to directly from Wild Apricot in the future.

Later this month, members will receive an email from Wild Apricot to activate your membership profile. Please follow the link in the email to setup your membership account. Please contact the TIPRO office if you do not receive the email.

We appreciate your understanding and patience as we migrate to a more efficient database system.

## BlackRock, JPMorgan and other banks tell Texas they don't boycott energy companies

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Money managers and investors with financial institutions BlackRock Inc, JPMorgan Chase & Co. and others told Texas Comptroller Glenn Hegar in May that they are not boycotting fossil fuel companies. According to a May 13<sup>th</sup> letter obtained by *Reuters News*, BlackRock and other firms affirmed their support of Texas oil and gas businesses, and said that they continue to financially back Texas energy projects. The response follows efforts by Texas officials, including the comptroller, working to determine what banking groups may be boycotting or limiting investments in fossil fuels. Pursuant to provisions included under Texas' Senate Bill 13, passed in 2021 by the state legislature, Texas state agencies that invest funds are prevented from investing in financial companies that boycott energy companies. As such, the comptroller this past Spring sent letters to more than 100 publicly traded investment firms seeking to clarify their fossil fuel investment policies and procedures. Responses collected from these entities will help the comptroller to finalize a list of companies deemed to be boycotting the fossil fuel sector.

"This is the wrong time to cut back on our investment in the vital fossil fuel industry, which has helped define our state's success for more than 100 years. Texas won't sit idly by while Washington and Wall Street peddle a fairy tale that has real negative consequences for the Texas economy, our energy independence and our national security," said the comptroller of his quest to identify companies that may be boycotting or restricting funding of fossil fuel development in Texas.

## Railroad Commissioners approve Fiscal Year 2023-27 Strategic Plan

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During the May 18<sup>th</sup> open meeting of the Railroad Commission of Texas, commissioners approved the agency's Strategic Plan for Fiscal Years 2023-2027. The plan sets forth regulatory and programmatic goals supportive of the Railroad Commission's governing work, including strategies that will enable the agency to maintain robust and secure information management systems, employ a highly skilled and diverse workforce and also provide greater public access to information, amongst other action items and objectives. Notably, the updated strategic plan also now includes critical infrastructure initiatives that will lead the commission to establish new compliance standards regulating natural gas supply chain entities for power generation requirements and mitigating system outage risks during extreme weather events. According to the commission, regulators also will work on ensuring designated facilities incorporate weatherization and reliability standards and practices. View the commission's complete five-year strategic plan at: <https://bit.ly/3GJQWcL>.

## Railroad Commission embraces use of AI technologies to help with seismic reviews

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In a recent update, state regulators with the Texas Railroad Commission highlighted the expanding use of artificial intelligence (AI) tools helping the agency to optimize and improve seismicity reviews to ensure residents of Texas and the environment are protected. Seismicity reviews are conducted by the commission's Underground Injection Control (UIC) Department for injection/disposal well permits in areas susceptible to earthquakes and in certain geologic zones. According to the agency, UIC staff has programmed a machine learning algorithm to help with the large amount of information that needs to be processed and digested for such reviews. The commission's AI program weighs many factors related to the number, severity and proximity of earthquakes and uses a decision tree to assign a grade to the review. The higher the grade, the more the permit would be allowed to inject, described the commission.

"Over time, since we are accruing more data every day, we will be able to produce more accurate models by feeding the machine learning algorithm more data," said Sean Avitt, manager of the UIC Department. "It's not a replacement for our technical analysts. It's a tool that not only allows them to do their jobs more quickly, but it helps them make the best possible decision on each seismic review."

Use of AI analytical tools has helped the commission address a backlog of seismic reviews, which today stands at zero. In addition, the commission cites the automation of certain tasks for allowing the agency to lower the total amount of time it takes for injection/disposal well permits to be considered. In November 2018, the commission explained it took more than 100 days for such reviews to be completed; today, it presently takes 20 days for regulatory reviews of these types of permits. The regulatory application of AI tools also is helping to ensure consistency in permitting decisions and the way in which seismic factors are considered.

Stakeholders can review more information on seismicity reviews completed by the Railroad Commission here: <https://bit.ly/3x39PnK>.

## RRC phasing out hard copy filings of *Annual Disposal/Injection Well Monitoring Report*

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In a new notice to oil and gas operators, the Texas Railroad Commission advised the agency will no longer accept hard copy filings of the Form H-10, the *Annual Disposal/Injection Well Monitoring Report*, after September 1, 2022. Operators should file the form electronically using the Railroad Commission's online system at <https://webapps.rrc.texas.gov/security/login.do>.

For more information on filing the Form H-10 online, TIPRO members may reference the *Injection Well Annual Report* on the commission's website at <https://bit.ly/3zjpUat>.

## **GOP lawmakers push for administration briefing on restoring oil reserves in the SPR**

Republican members of the U.S. House Committee on Oversight and Reform have requested U.S. Energy Secretary Jennifer Granholm provide a briefing explaining to lawmakers in greater detail the Biden Administration's plan to replenish the Strategic Petroleum Reserve (SPR). As TIPRO reported to members in the [May 19<sup>th</sup> TIPRO Target](#) newsletter, the Energy Department announced last month it expected to initiate a buyback process this Fall to rebuild supplies held in the SPR. In a letter sent on May 26<sup>th</sup> to Secretary Granholm, officials said that the American people deserved to know more about the administration's plan to backfill the SPR. To give such answers, the committee hopes to host a briefing this summer that will allow leaders of the Energy Department to share more about planned purchases of oil to replenish the nation's reserves.

"The Biden Administration has made diminishing domestic energy production a policy priority—causing the price of gasoline to skyrocket," wrote the Republican lawmakers. "Numerous times throughout the past year, the Biden Administration has released oil from the SPR with the hopes of lowering domestic gas prices. However, despite these actions, gas prices continue to rise and now stand on average at \$4.60, the highest-ever average price since AAA began collecting data in 2000. In addition to that, for the first time ever, gas now costs over \$4.00 dollars per gallon in every single state. Now more than ever, the [Energy Department] should establish policies that strive to produce more domestic energy instead of using an emergency oil supply in a failed attempt to curb inflation. Unfortunately, by all accounts, this administration is doing the opposite. As of May 13, 2022, the stockpile in the SPR was 538 million barrels, which is the lowest amount since 1987. We request a briefing to better understand how the [Energy Department] intends to implement policies that increase domestic energy production while also restoring the SPR to its intended purpose of protecting the United States from global supply disruption."

## **Leading energy policymakers in Congress raise concerns over administration's oil and gas policies**

As the summer season approaches, U.S. Senator Joe Manchin (D-West Virginia), chairman of the U.S. Senate Energy and Natural Resource Committee, recently expressed worry over the Biden Administration's handling of national energy policies, urging the White House to rethink its approach to the federal onshore and offshore oil and gas leasing programs in order to protect America's energy and national security. While addressing U.S. Interior Secretary Deb Haaland at a May 19<sup>th</sup> Senate hearing, Chairman Manchin called out rulemakings being promoted by federal officials that have chilled investment in the oil and gas sector and are slowing energy development from expanding across U.S. oil and gas basins. The senator said the Biden Administration was taking a "short-sighted approach that only focuses on current production" which he warned was putting America's energy security at risk.

During his remarks, Chairman Manchin noted that American energy production is among the cleanest in the world, particularly when compared with E&P operations conducted in other global regions. "The fact is, the federal leases onshore and offshore are producing domestic oil and gas, paying royalties, and increasing our energy security in a way that is cleaner than Russia, Iran, or Venezuela... My frustration is at an all-time high that we are talking to OPEC, Iran, and Venezuela to increase oil output while we are at the same time blocking increased energy production at home," he stated.

Chairman Manchin also criticized the administration's failure to announce a new five-year federal offshore leasing program in a timely manner. "[A timely announcement] would've sent a clear signal that you're looking at what's going to ensure that we can continue to provide for ourselves in America, including with the cleanest energy coming from the Gulf. But we're getting this at the last possible minute, knowing that there's other steps to go through. This gives us no security and the timing is not right. [The department took] as long as it possibly could," Chairman Manchin told Secretary Haaland. "We understand that we're in challenging times right now but we've got to send a clear signal that we can take care of ourselves in the United States."

At the same legislative hearing, the committee's ranking member, U.S. Senator John Barrasso (R-WY), also reflected on the country's developing energy crisis, echoing similar apprehension over the direction of energy policies by the president and advising the administration to reverse course and work to restore American energy dominance.

"No department plays a more critical role in enabling or undermining American energy production. It seems today that this department is undermining American energy production. With inflation at a 40-year high, and energy prices skyrocketing, the job as secretary of the Interior is pivotal," Senator Barrasso told Secretary Haaland last week. "During the last year, gas prices have repeatedly hit new records, forcing American families to spend more on filling their tanks. During this energy crisis, when the department could be opening up abundant American oil and gas reserves, the Department of the Interior has done everything possible to shut them down... The president says he wants his administration to encourage more American energy. Instead your department stalls, postpones, and kills oil and natural gas lease sales. Your department is undermining domestic energy production – not expediting it."

## **U.S. House narrowly passes gas price legislation**

With a vote of 217-207, the U.S. House of Representatives on Wednesday, May 19<sup>th</sup> passed House Resolution 7688, known as the "Consumer Fuel Price Gouging Prevention Act," which seeks to give the Federal Trade Commission (FTC) more authority to crack down on cases of price gouging. The act also is designed to give the president the power to issue an Energy Emergency Declaration that would make it unlawful to increase gasoline and home energy fuel prices in an excessive or exploitative manner. The legislative proposal comes as politicians hope to remedy skyrocketing gas prices.

The vote was largely down party lines with four Democrats -- Representatives Kathleen Rice of New York, Stephanie Murphy of Florida, Jared Golden of Maine and Lizzie Fletcher of Texas -- joining all Republicans in voting against the legislation. Many members of the Texas congressional delegation have voiced opposition to the proposed act, recognizing that the bill as written does not fix high gas prices and instead has the potential to exacerbate the energy supply shortage the country is facing and could even lead to worse outcomes. The legislation is now under review by lawmakers in the U.S. Senate.

## Federal government issues \$33 million for plugging and cleaning up orphaned oil and gas wells

The U.S. Department of Interior has distributed \$33 million in funding to be used for plugging, remediating and reclaiming orphaned oil and gas wells in national parks, national forests, national wildlife refuges and on other public lands, officials announced at the end of May. The funding allocation, provided under the Bipartisan Infrastructure Law, is part of a total of \$250 million that will be used nationally to address orphaned oil and gas wells. U.S. Secretary of the Interior Deb Haaland said the effort is the largest investment in American history to tackle legacy pollution, and simultaneously will help to create good paying jobs in states across the country.

Altogether, the money will fund plugging and remediation work on 277 high-priority wells. In Texas, four sites have been identified to receive allotments of federal funding this year for the initiative, which will target a total of 20 wells near the Angelina National Forest, Big Thicket National Preserve, Guadalupe Mountains National Park and Sabine National Forest.

The Railroad Commission of Texas will help oversee and manage efforts to plug orphaned wells in the state using the federal funding. On May 26, commission staff provided an update to the Texas House Environmental Regulation Committee on the use of federal money provided for well plugging. Following the legislative hearing at the state capitol, state Representative Brooks Landgraf (R-Odessa), who serves as chairman of the House committee, remarked, "The importance of Texas oil and gas has hit an all-time high, not only for Texans, but for every American and freedom-loving person on this planet. But the prominence of our past and the promise of our future has left us with a significant number of orphaned wells in need of plugging. Part of the purpose of today's hearing was to identify ways to strengthen Texas' well-plugging program."

TIPRO members can find more information on this program as well as other related updates at <http://ow.ly/3jAT50JhT0i>.

## FERC Chairman Richard Glick renominated by President Biden for second term



The head of the Federal Energy Regulatory Commission (FERC), Richard Glick, has been renominated by President Joe Biden to serve a second term leading the independent regulatory agency. Glick, a Democrat, took over as chairman of FERC in January 2021 upon appointment to the post by the president. He was originally nominated to the commission by President Donald Trump in August 2017 and confirmed by the U.S. Senate in November of that year. Before joining FERC as a commissioner, he was general counsel for the Democrats on the Senate Energy and Natural Resources Committee, serving as a senior policy advisor on numerous issues including electricity and renewable energy.

As a top regulator at FERC, Glick has spearheaded controversial rulemakings including substantial changes to longstanding FERC policy statements on certificate applications for critical natural gas infrastructure and pipelines. After pushback from stakeholders and even Congressional officials this past spring on the significant changes to the regulatory methods used for approving natural gas pipeline applications, Glick alongside other FERC commissioners agreed to designate the involved policy statements as drafts while regulators sought further comment on the matter. This rulemaking effort, amongst others, remains ongoing at the commission. A second term at FERC would allow more time for Chairman Glick to accomplish his agenda, which could see changes adopted to FERC's natural gas certificate review process and other rules involving greater consideration of climate and environmental impacts.

Glick's nomination has been sent to the U.S. Senate for consideration. If approved, his term will last through June 30, 2027.

## Interior developing proposed five-year offshore leasing plan... continued from Page 1

Through the Outer Continental Shelf Lands Act (OCSLA), the U.S. Department of the Interior's Bureau of Ocean Energy Management (BOEM) is required by law to establish a five-year schedule of oil and gas lease sales proposed for planning areas of the U.S. Outer Continental Shelf (OCS). This program specifies the size, timing and location of potential leasing activity that the secretary of the Interior determines will best meet national energy needs. In recent statements, Secretary Haaland has made it clear that even when the Interior releases its proposed five-year offshore program, this action will not represent "a decision to issue specific leases or to authorize any drilling or development."

Meanwhile, elected officials continue to urge the White House to issue a new five-year program for offshore oil and gas leasing as soon as possible. As TIPRO reported in the May 19<sup>th</sup> *TIPRO Target* newsletter, Representatives Vicente Gonzalez (D-TX), Henry Cuellar (D-TX), Sylvia Garcia (D-TX), and Lizzie Fletcher (D-TX) wrote to President Biden in May urging him to direct cabinet leaders to publish the new five-year program for offshore oil and gas leasing as required under the OCSLA to ensure American energy independence, bring millions of additional barrels of U.S. oil to market and help satisfy growing energy needs in the U.S. and elsewhere around the globe, as well as encourage mid- and long-term investments across the energy sector to ensure the United States does not find itself confronting future energy crises at home. This letter can be read here: <https://bit.ly/3KRYQRG>.



Other legislative leaders in Congress have also made similar pleas to the president over the past couple of months, calling for the Biden White House to move forward with permitting domestic oil and gas development in the Gulf of Mexico by implementing a new five-year program for offshore production. U.S. Senators Joe Manchin (D-WV), chairman of the Senate Energy and Natural Resources Committee, and others have highlighted that while Americans are facing record-level gasoline prices every day, the U.S. government must work to minimize disruptions in the oil market, including acting promptly to establish a new five-year program and allow for future oil and gas lease sales in the Gulf of Mexico off the coasts of Texas, Louisiana, Mississippi, Alabama and west Florida.

## White House reportedly weighing export limits amid increasing energy demands

During a tour of a Strategic Petroleum Reserve (SPR) site in Louisiana, U.S. Secretary of Energy Jennifer Granholm last week told reporters the president was "not taking any tools off the table," when asked about possible limits to U.S. oil exports, according to *Reuters*. The comment by America's energy secretary raised eyebrows as the Biden Administration struggles to address soaring gas prices and a growing energy crisis in the United States.

It is not the first time that federal officials and members of the Biden White House have looked at potentially restricting shipments of U.S. oil to attempt to control market supplies and lower energy expenses for consumers. Last Fall, after a coalition of Democratic legislators pressed President Biden to ban oil exports, the administration reportedly weighed the option as a strategy to lower U.S. gasoline prices.

Experts, however, agree that such policy moves would be a mistake and likely counterproductive to such efforts to fight high energy prices. IHS Markit last November completed an analysis on the impact of a potential crude export ban implemented by the U.S., concluding that instituting a ban on U.S. crude exports would likely discourage production of both oil and natural gas, disrupt the oil supply chain—both domestically and internationally – and also cause gasoline prices to increase rather than lower them. "A U.S. crude oil export ban would make the situation worse—for the United States and the world—at a time when global supply chains are already under exceptional strain," Jim Burkhard, vice president and head of crude oil markets for IHS Markit, said. "Such a ban would disrupt global oil supply chains, run counter to decades of U.S. policy promoting the free flow of oil and gas, lead to inefficient and costly re-allocation of domestic crude oil production, disrupt supplies for allies and discourage domestic production—which would all put upward pressure on U.S. gasoline prices. It would also send an unnerving signal to allies and partners about the reliability of the U.S."

**Analysis has shown that eliminating U.S. crude exports of 3 million barrels per day would disrupt domestic and global oil supply chains, likely putting more upward pressure on crude oil prices and causing gasoline prices to increase.**

Similarly, in early 2022, economists and policy advisers with the Federal Reserve Bank of Dallas published their own, separate research and report on the matter, also finding that a ban on U.S. crude oil exports would not lower gasoline prices at the pump. "Proponents of a U.S. crude oil export ban argue that prohibiting crude oil exports would increase the supply of crude in the United States, allowing refiners to increase their production of gasoline and diesel and lowering the price of these fuels. The implicit premise is that there is enough spare capacity for this light sweet crude oil to be refined in the United States," described analysts. In spite of such theories, in actuality, experts point out that because a cessation of U.S. crude oil exports would lower the supply of oil in global markets and raise the price of the commodity, it might actually cause gas prices to go up, rendering the crude oil export ban not only ineffective, but also counterproductive. Eliminating U.S. crude oil exports would also raise the overall U.S. trade deficit and would make the U.S. more dependent on foreign oil in the long run.

While it remains to be seen how serious the president and administration officials are considering a possible ban to U.S. oil exports, limits or restrictions to exports nonetheless appear to remain on the table and a measure which the federal government is looking at.

## USFWS sued over Dunes Sagebrush Lizard ESA listing

The U.S. Fish & Wildlife Service (USFWS) was sued last month by environmentalists seeking to compel the federal government to extend protections to the Dunes Sagebrush Lizard under the Endangered Species Act (ESA). The Center for Biological Diversity announced in May it has filed a lawsuit in the U.S. District Court for the District of New Mexico against federal regulators for failing to provide timely protections for the sand-colored lizard, which lives primarily in portions of West Texas and southeast New Mexico, areas which also are part of the Permian Basin and central to drilling operations and energy development.

Ten years ago, the USFWS determined that the Dunes Sagebrush Lizard did not require ESA protections after approving a conservation plan designed to protect the lizard's habitat and implement conservation measures that would minimize impacts of development activity. This plan was later withdrawn in 2018, and that same year, environmental organizations again petitioned the government to initiate a fresh review of the status of the Dunes Sagebrush Lizard to determine whether listing the species under the ESA would be appropriate. In 2020, the USFWS completed this initial review, after being sued by Defenders of Wildlife and the Center for Biological Diversity, at the time concluding a potential listing may be warranted. Typically, after such findings are presented, a more involved and in-depth status review and analysis is done using the best available science and information to evaluate all identified threats by considering the individual-, population-, and species-level effects and the expected response by the species. Accordingly, the USFWS in mid-2020 indicated it would pursue a more thorough status review to determine whether listing the Dunes Sagebrush Lizard species is justified under the ESA, promising at the conclusion of the status review that the agency would issue a finding, in accordance with section 4(b)(3)(B) of the ESA, as to whether listing the Dunes Sagebrush Lizard is not warranted, warranted, or warranted but precluded by pending proposals to determine whether any species is an endangered species or a threatened species. This status review has not since transpired, prompting environmentalists to again pursue legal action to try to lead the USFWS to engage and begin its subsequent analysis on the lizard.

## Registration opens for TIPRO's 2022 Summer Conference!

TIPRO members are encouraged to take advantage of early registration, now available, for the association's annual Summer Conference that has been scheduled for August 24-25 at the St. Anthony Hotel, a luxury collection hotel in downtown San Antonio nearby the Riverwalk. Conference speakers and the event agenda for the TIPRO meeting are currently being finalized and will be announced in the weeks to come. In the meantime, please consider reserving your hotel room for the event at your earliest convenience to take advantage of the discounted TIPRO rate -book hotel accommodations at [https://bit.ly/HotelBooking\\_2022TIPROConference](https://bit.ly/HotelBooking_2022TIPROConference). Members can also find a copy of registration form on the next page, and conference sponsorship opportunities can be reviewed on TIPRO's website at [www.tipro.org](http://www.tipro.org).



# TIPRO CONFERENCE REGISTRATION

Please return your completed form by mailing to:  
**TIPRO, 919 Congress Avenue, Suite 1000  
Austin, Texas 78701.**

Forms may also be emailed to [info@tipro.org](mailto:info@tipro.org) or  
faxed to (512) 476-8070.



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TIPRO SUMMER CONFERENCE AT  
[WWW.TIPRO.ORG!](http://WWW.TIPRO.ORG)**

## REGISTRATION FEES

### MEMBER FEES:

(FULL PASS INCLUDES ALL CONFERENCE SESSIONS  
AND MEALS)

- MEMBER: \$475 (\*DISCOUNTED EARLY BIRD RATE ONLY AVAILABLE UNTIL JUNE 30 - RATES THEN RISE TO \$575!)**
- SPOUSE: \$325**
- CHILDREN (12-UNDER): \$199**

### NON-MEMBER FEES:

(FULL PASS INCLUDES ALL CONFERENCE SESSIONS AND MEALS,  
AS WELL AS A ONE-YEAR COMPLIMENTARY TIPRO MEMBERSHIP)

- NON-MEMBER: \$675 (\*DISCOUNTED EARLY BIRD RATE ONLY AVAILABLE UNTIL JUNE 30 - RATES THEN RISE TO \$775!)**
- SPOUSE: \$425**
- CHILDREN (12-UNDER): \$199**

## REGISTRANT INFORMATION

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Spouse's Name (If Attending): \_\_\_\_\_

Children's Names (If Attending): \_\_\_\_\_

In order to help TIPRO plan our conference, below please confirm which events all registered guests will be attending by checking the corresponding box:

	Member/Non-Member	Spouse	Child	Child	Child
TIPRO Reception	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TIPRO Breakfast	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
TIPRO 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"/>



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

## PAYMENT INFORMATION

Total: \_\_\_\_\_ Payment Method:  VISA  MASTERCARD  AMEX  CHECK NO. \_\_\_\_\_

Print Name: \_\_\_\_\_ Company: \_\_\_\_\_

Credit Card Number: \_\_\_\_\_ Exp. Date: \_\_\_\_\_

Billing Address: \_\_\_\_\_

Signature: \_\_\_\_\_ CID/Security Code: \_\_\_\_\_

**NO REFUNDS FOR CANCELLATIONS AFTER AUGUST 12, 2022.**



## Straight Talk

Professional, experienced and results-oriented should just be part of the deal with good law firms. HFB provides more—understanding. We work to understand your needs and ensure you don't get lost in the shuffle.

**That's true representation.**

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REAL ESTATE · ESTATE PLANNING · LITIGATION

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### Texas Independent Producers & Royalty Owners Association

With nearly 3,000 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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