



**Texas  
Independent  
Producers and  
Royalty Owners  
Association**

## EPA drops Permian air quality redesignation from updated regulatory agenda

The Biden Administration earlier this month released its latest regulatory agenda, outlining planned rulemakings and federal action for the coming months and beyond. Within the new federal regulatory agenda, the U.S. Environmental Protection Agency (EPA) for now has seemingly stopped its pursuit of imposing "discretionary redesignation" of air quality conditions in portions of the Permian Basin, the nation's most prolific oilfield. The EPA has removed the regulatory item off its list of regulatory priorities and rule list for the near and long term, which industry leaders and elected officials call the right decision.

"We are relieved to learn that the EPA at this time has decided not to pursue policy changes that would designate portions of the Permian Basin as being in 'nonattainment' of federal air standards, something our association has fiercely advocated against," commented Ed Longanecker, president of the Texas Independent Producers and Royalty Owners Association (TIPRO). "Over the past several years, our industry has made monumental steps in reducing air pollutants, and oil and gas producers are already taking the steps needed to improve air quality. In fact, according to a recent study by Texans for Natural Gas, a TIPRO campaign, between 2011 and 2021, methane emissions intensity fell by more than 76 percent in the Permian Basin. If the administration and EPA want to craft successful policy moving forward, they should be partnering with private industry in a collaborative manner to help advance emissions reduction efforts, not forcing them through unneeded and onerous regulatory mandates."

Several state leaders have also spoken out on the issue, including Texas Governor Greg Abbott, who warned that if allowed to proceed, the EPA's actions in the Permian Basin would result in draconian regulations that could directly interfere with 40 percent of all oil produced in the United States. "The Permian Basin is the crown jewel of Texas' mighty oil and gas industry, and the state of Texas will do whatever it takes to protect its production and the hundreds of thousands of good-paying energy jobs in our state," stated Governor Abbott. "While it is encouraging news that the Biden Administration has backed down on this disastrous plan, Texas remains ready to fight any job-killing attacks on our critical oil and gas industry. Texas is—and always will be—a pro-energy state, and we will keep a watchful eye for any potential changes or attacks by President Biden that could jeopardize affordable energy prices and the livelihoods of hardworking Texans."

State Representative Brooks Landgraf (R-Odessa), who the past year also has been heavily involved in fighting against the EPA's proposed non-attainment designation for parts of the Permian, called the regulatory development a "huge victory for Texas and our goal of national energy independence." He also credited the governor, as well as Texas Congressman August Pfluger (TX-11) and Texas House Speaker Dade Phelan, for their joint efforts to step up and push back against the EPA's plans, helping to stop the EPA proposal which would have resulted in further regulatory burdens on the oil and gas industry in the Permian Basin that could slow production, reduce oil and gas supply and cut jobs.

Since publication of the Biden Administration's updated regulatory agenda, an EPA spokesperson later explained to *Rigzone* that the discretionary redesignation of portions of the Permian Basin for the 2015 Ozone National Ambient Air Quality Standards (NAAQS) action has been moved to the EPA's 'pending' portion of the regulatory agenda, meaning the agency at a later time could reconsider the measure and redesignate counties in Texas and New Mexico as being in "nonattainment" of the 2015 ozone NAAQS under the Clean Air Act. "Removing an action from the regulatory agenda requires a notification in the Federal Register," the spokesperson noted.

## 88<sup>th</sup> Texas Legislature convenes in Austin, kicking off active legislative session for the state in 2023

New and returning lawmakers were back in the state's capital city on Tuesday, January 10<sup>th</sup> as the 88<sup>th</sup> Texas Legislature convened for the first time for this year's legislative session. During the first day of the state's 2023 legislative cycle, members in both the upper and lower chamber took the oath of office. In the Texas House of Representatives, on the first day of the session, members also elected Representative Dade Phelan (R-Beaumont) to serve as House speaker for a second term.

"As I look out upon this distinguished gathering, I see 149 people – ordinary Texans – who are eager to get to work on extraordinary things. I am grateful to the majority of you who have honored me with your vote, but I am proud to represent all of you as speaker of the 88<sup>th</sup> Legislature," Speaker Phelan said in his opening day remarks.

Read more about the opening of the 88<sup>th</sup> Texas Legislative Session on Page 3 of this newsletter.

### Important Legislative Dates to Remember

- January 10:** Legislature convenes for the first time
- March 10:** Deadline for bill filing
- May 29:** Sine Die

## Chairman's message

TIPRO members,

The start of a new year traditionally brings new opportunities for growth, and this will certainly be the case for our industry in 2023. Forecasts and projections for the coming year affirm demand for oil and natural gas are likely to keep rising in the near and long term. As such, oil and natural gas production here in the Lone Star State will continue to play an essential role in supplying the energy that is needed not only domestically, but also across global markets.

A new outlook released this week from the International Energy Agency (IEA) shows that global oil demand this year could increase by 1.9 million barrels per day (bpd) to reach 101.7 million bpd, an all-time high. With China reopening from pandemic lockdowns, oil demand there is anticipated to surge in the months ahead, which will drive greater global consumption of petroleum products and support oil prices in energy markets. Oil demand this year is also forecasted to go up in India, one of the world's largest consumers of oil.

The U.S. Energy Information Administration (EIA) in its own outlook has also recently said that global liquid fuel consumption is likely to exceed 100 million bpd in 2023. By 2024, global demand for oil will top 102 million bpd, according to EIA projections.



**Jud Walker**

Worldwide demand for natural gas is also forecasted to keep rising and will remain strong in the next year, say experts, a trend which will boost exports of liquefied natural gas (LNG) from Texas and the United States. Last year, the United States became the world's largest LNG exporter, with U.S. LNG exports on average amounting to 11.2 billion cubic feet per day (Bcf/d). As of July 2022, the United States also now has more LNG export capacity than any other country and we have exported more LNG than any other country. As more LNG export facilities and terminals are built in the United States – many of which being planned for Texas and along the U.S. Gulf of Mexico – we will be positioned to ship even more LNG to global partners in the future.

With the United States serving as the world's biggest oil and natural gas producer, our nation is increasingly playing a complex role in global energy markets, and we are stepping up to provide reliable and affordable energy to meet growing domestic and global demand. As the largest oil and gas producer in the country, Texas, too, is making large contributions to this effort. To continue to ensure Texas producers can deliver the oil and gas that our nation and the world require, TIPRO remains committed to serving our mission and advocating for policies that are favorable to energy development and encourage domestic production. The association's 77-year-old legacy of protecting the ability to explore and produce remains central to TIPRO's daily work. In the months to come, TIPRO's advocacy efforts will be especially imperative, as legislators and policymakers return to Austin for this year's legislative session to work on new laws governing the state's energy industry. TIPRO has already begun meeting with legislative offices to discuss the association's policy agenda and priorities for our association's membership during the 2023 Legislative Session.

Additionally, TIPRO is pleased to also offer members of the association their own engagement opportunities with state policymakers. As a reminder, TIPRO will host a legislative reception next week in Austin, which will give members a chance to meet new and returning lawmakers and discuss with them the importance of the Texas oil and natural gas industry. For details on the event and to sign up to participate, please contact TIPRO's Government Affairs Director Ryan Paylor at [rpaylor@tipro.org](mailto:rpaylor@tipro.org).

In 2023, global demand for oil and natural gas will approach record highs. Let's work together to make sure our elected officials understand the need for oil and gas production in the state of Texas, its impact here and abroad, and the many benefits associated with energy development. Regards,

Jud Walker

## Texas governor joins 2023 NAPE line-up

Greg Abbott, governor of Texas, will speak at the annual NAPE Expo next month, event organizers announced in mid-January. Abbott is scheduled to participate in NAPE's governor's panel alongside Oklahoma Governor J. Kevin Stitt and Wyoming Governor Mark Gordon. Jointly, the three state leaders will review and discuss the latest trends, issues and opportunities in today's dynamic energy market.

The governor's panel is one of several sessions of the NAPE Summit Energy Business Conference happening Wednesday, February 1, at the George R. Brown Convention Center in Houston and part of NAPE Week. The NAPE Expo will then follow the conference on February 2-3. "The 2023 Summit marks NAPE's 30<sup>th</sup> anniversary and we are celebrating the big deal — NAPE style. In addition to our traditional oil and gas prospects and new governors panel, NAPE is adding a '90s style concert at our popular Icebreaker reception, a Bitcoin Mining Pavilion on the expo floor and the new NAPE Hall of Fame," said Le'Ann Callihan, NAPE vice president. "This is a NAPE you don't want to miss," Callihan added.

To learn more about this year's NAPE Expo and register, visit [NAPEexpo.com](https://www.napeexpo.com).

TIPRO is a proud supporter of NAPE and a participating exhibitor. Look for TIPRO in the NAPE exhibit hall!

## TIPRO CALENDAR OF EVENTS

**JANUARY 25, 2023**

AUSTIN — TIPRO  
Legislative Reception.  
For information, email  
[info@tipro.org](mailto:info@tipro.org).

**FEBRUARY 1-3, 2023**

HOUSTON — 30<sup>th</sup> Anniversary  
NAPE Summit.  
For information, email  
[info@napeexpo.org](mailto:info@napeexpo.org).

**FEBRUARY 21, 2023**

HOUSTON — TIPRO/IPAA/HPF  
"Leaders in Industry" Luncheon.  
For information, email  
[info@houstonproducersforum.org](mailto:info@houstonproducersforum.org).

## Texas kicks off 88<sup>th</sup> Legislative Session... continued from Page 1

With the beginning of the new legislative session, members of the Texas Senate unanimously elected North Richland Hills Senator Kelly Hancock to serve as president pro tem of the Senate for the 88<sup>th</sup> session. In the role, Hancock will be second in line for the governorship - and will serve in that capacity whenever both the governor and lieutenant governor are out of the state. First elected to the Texas Senate in 2012, Hancock was chairman of the Texas Senate Committee on Business and Commerce during the last legislative session. In the 2021 session, Hancock also notably authored legislation seeking to improve emergency preparedness plans from facilities within the Texas electric and natural gas supply chain.

In the near future, committee assignments will be made in both the Texas House and Senate chambers, though it has been announced that House committee assignments likely will not be released until at least the end of the month. Once lawmakers have been appointed to respective committees in each legislative chamber, members then will begin to meet for public hearings to address policy priorities for the 88<sup>th</sup> Legislative Session.

In the meantime, a bipartisan group of 38 legislators from the Texas House of Representatives have joined together to establish the Texas House Water Caucus. The new caucus will be led by Representative Tracy King (D-Batesville), who in the last legislative session chaired the House Natural Resources Committee, and will collaborate to educate fellow state lawmakers about water security issues impacting Texas and needs to modernize the state's water infrastructure. "Water security is critically important to all Texans and our economy," said Representative King. "We must continue to innovate, invest, and strategize long-term to manage our water resources efficiently."

## State leaders sworn into office for new terms

Texas Governor Greg Abbott and Lieutenant Governor Dan Patrick both were officially sworn in to serve a third term of office this week. In inauguration speeches made on the steps of the state capitol on Tuesday, January 17, the two leaders highlighted top priorities for the state, including implementing the largest property tax cuts in state history, further improvements to Texas' power grid and other measures that will ensure economic strength in the Lone Star State.

Texas Railroad Commissioner Wayne Christian also this week was sworn in for a second term at the state's oil and gas regulatory agency. Also taking office this month was Dr. Dawn Buckingham, who was sworn in as the 29<sup>th</sup> commissioner of the General Land Office. She is the first woman to hold this position in Texas history. Commissioner Buckingham already has completed her first tour, visiting an oil and natural gas production facility last week. The oil and gas site that Commissioner Buckingham toured has contributed more than \$500 million in royalties to public education.

## Texas comptroller: Texas holding 'once-in-a-lifetime' budget surplus for coming 2024-25 biennium

As Texas lawmakers start to work on plans for the state's next biennial budget, officials will have more funding available to allocate than ever before, according to new revenue projections released from the state's chief financial officer in January. With the updated *Biennial Revenue Estimate (BRE)*, Glenn Hegar, Texas' comptroller of public accounts, announced on Monday, January 9, that the state is projected to have a record \$188.2 billion in revenue available for general-purpose spending during the 2024-2025 biennium, an unprecedented 26 percent increase from the 2022-2023 biennium.

The comptroller credited the significant growth in state revenue to vigorous economic activity since the end of COVID-19 pandemic restrictions, as well as spikes in energy prices the past year. The comptroller also cited the highest rate of general price inflation in 40 years for having an impact on the state's available revenue. With higher tax collections, Hegar is urging policymakers to spend money wisely and prudently to benefit Texans now and in the future.

"We cannot, and we will not, lose sight of the fact that every tax dollar received by the state is coming out of Texans' pockets," the comptroller emphasized. "I know very well that the legislature decides how to use all the money they have available, yet I must advise some caution as these decisions are made: Bluntly, don't count on me announcing another big revenue jump two years from now. The revenue increases that we've seen have been, in many ways, unprecedented, and we cannot reasonably expect a repeat. We are unlikely to have an opportunity like this again. This budgeting session is truly a once-in-a-lifetime session," he added.

The BRE, submitted by the Texas comptroller at the beginning of each regular session of the Texas legislature, forms the basis of each successive state budget. Legislators must ensure that total appropriations do not exceed the amount predicted to be available in the BRE.

Texas Lieutenant Governor Dan Patrick, who leads the legislature's upper chamber said the comptroller's new revenue estimate was "further proof of the true might of our economy." "Since I've become lieutenant governor, we've taken the utmost care to manage our budget wisely and conservatively. The Texas economy is red-hot. We are leading the United States forward in the global marketplace and it is clear for all to see," commented Patrick. He also noted that while "every member of the Texas Senate will have ideas on how to use this unprecedented revenue," he firmly believed Texas taxpayers must first receive tax relief before officials commit to any new spending.

## Longanecker leads TIPRO with passion and dedication - *OILMAN* magazine

Inside of the new January/February edition of *OILMAN* magazine, available now, get to know Ed Longanecker, who has led the Texas Independent Producers and Royalty Owners Association (TIPRO) as the association's president for the past 10 years. Longanecker discusses with *OILMAN* his career path and dedication to supporting association members and the Texas oil and natural gas industry.

"Since joining TIPRO, I have maintained the organization's leadership role in providing effective advocacy for our members and have also expanded our communication, industry education, data, and analysis capabilities, which have greatly enhanced our effectiveness in representing the voice of our members and the Texas oil and natural gas industry," Longanecker told *OILMAN*.

The full article (subscription required) can be found at <https://bit.ly/3kfxBsE>.





## Railroad Commission hosting January webinar highlighting critical designation filing system changes

The Railroad Commission will host a free regulatory webinar in late January to explain forthcoming changes and updates that will be made to the commission's online system for filing the Form CI-D, *Acknowledgement of Critical Customer/Critical Gas Supplier Designation*, and Form CI-X, *Critical Designation Exception Application*. The webinar is scheduled to take place from 9 a.m. to 11 a.m. on Wednesday, January 25, 2023. Registration for the webinar is required, and registrants also must register using their work email address, notes the commission. To sign up, visit the commission's Zoom website at <https://bit.ly/3XDj2gY>.

Pursuant to state rules, the commission's Form CI-D is to be submitted by an operator of a facility designated as critical, acknowledging the facility's critical status based on 16 Texas Administrative Code (TAC) §3.65 and 16 TAC §25.52. Form CI-X meanwhile is to be submitted by an operator certifying a facility is seeking an exception to critical designation status based on 16 TAC §3.65 and Texas Natural Resource Code §91.143. ***Oil and gas operators and pipeline operators in Texas must file the Form CI-D or Form CI-X online by March 1, 2023***, using the Railroad Commission's online system at <https://webapps.rrc.texas.gov/security/login.do>. Hard copy forms or email form submissions are not being accepted by the agency.

Effective January 31, the commission says that it will implement updates to its online filing system to provide a more efficient process when submitting the required forms – changes include the following:

- Users are no longer required to enter data on a workbook spreadsheet and upload as a .CSV file to the online system.
- There are two new left-hand menu options "File CID" and "File CIX." When selecting either of these options, the online system will display three tabs – "Acknowledge," "Select," and "Submit." These tabs allow users to enter information and complete online filing of either form.
- The organization's facilities now auto-populate on the "Select" tab with the option to select which facilities when filing either form.

Upload of a .CSV file is no longer required, but the online system still allows users to attach supporting documentation.

## U.S. Interior Department creates new office dedicated to managing federal orphan well program

The U.S. Interior Department this month announced a new federal office will be established to support states, Tribes and federal land managers as they work to close and remediate orphaned oil and gas wells using funding provided from the *Infrastructure Investment and Jobs Act*. The law dedicated \$4.7 billion towards plugging orphaned wells across the country, with Texas alone eligible to receive up to \$343 million in funding from the federal government to plug, remediate and reclaim orphaned wells (amounts subject to change).

U.S. Secretary of the Interior Deb Haaland on Tuesday, January 10<sup>th</sup> issued [Secretary's Order 3409](#), which creates a new program office at the Interior Department to ensure timely and transparent adoption of the new orphan well program and enable better communication with states, Tribes and other partners. The office will be led by Director Kimbra Davis, who has served at the department since April 2009, with support from staff with deep expertise in orphan well remediation and Tribal engagement.

Texas continues to lead in the plugging of abandoned oil and gas wells utilizing new federal funds made available through the Infrastructure Law – and as reported by the Railroad Commission, last Fall Texas was the first state in the nation to pursue a project plugging an abandoned oil and gas well located in Refugio County in South Texas. As of early January, the Railroad Commission said 128 orphaned wells have already been plugged in Texas with federal funding and the state intends to plug about 800 abandoned wells by the end of the fiscal year.

Additionally, as TIPRO earlier reported in the [January 5<sup>th</sup> TIPRO Target](#) newsletter, the Railroad Commission has recently launched an interactive map showing the location of orphan well plugging supported by the federal infrastructure funding. The commission's data visualization application allows users to choose what they see on the map, including which county to view, the fiscal year, and whether the wells have been plugged or have had a work order issued to be plugged. TIPRO members may view this map here: <https://bit.ly/3GP65Kc>. Additionally, the Railroad Commission has published information links for the public on its website about its progress plugging wells with federal funds, accessible at <https://bit.ly/3QP0p0z>.

## Offshore energy agency gets new director in the new year

Early in the new year, leaders of the U.S. Department of the Interior announced Elizabeth (Liz) Klein will serve as the new director of the Bureau of Ocean Energy Management (BOEM), the federal government's lead office responsible for the management of America's offshore energy and mineral resources. Klein succeeds Amanda Lefton, who was the first BOEM director under the Biden Administration and recently announced her resignation, effective January 19, 2023.

For the past two years, Klein has been a member of the Biden Administration in the role of senior counselor to Interior Secretary Deb Haaland, with an emphasis on water policy and climate change resilience. Klein also previously served at the Interior Department during the Clinton and Obama Administrations. Under former Interior Secretaries Ken Salazar and Sally Jewell, she was an associate deputy secretary as well as principal deputy assistant secretary in the Interior's Office of Policy, Management and Budget. Klein notably was a key architect of the Obama Administration's work to create a new offshore wind industry and leasing program.

Earlier in her career, Klein also worked as the deputy director of New York University School of Law's State Energy & Environmental Impact Center, which supported state attorneys general addressing clean energy, climate and environmental initiatives of regional and national importance. There, Klein helped back state attorneys general in filing dozens of lawsuits that challenged Trump-era environmental rollbacks.

Klein's appointment to lead the BOEM has stirred controversy amongst policymakers in the nation's capital, with some Republican officials expressing concern over her promotion at the Interior Department, particularly given Klein's background and knowing in the role Klein will oversee the finalization and implementation of the government's forthcoming five-year offshore oil and gas leasing plan. It is reported that with new power in Congress and a majority in the U.S. House, Republicans could potentially order Klein to testify on Capitol Hill about her ambitions for the BOEM and ask her to address suspected conflicts of interest regarding her position as director.

## Texas congressmen added to powerful U.S. House Energy and Commerce Committee

Several members of the Texas congressional delegation will sit on the U.S. House Energy and Commerce Committee for the 118<sup>th</sup> Congress, giving the Lone Star State more influence on matters overseen by the congressional panel, including energy policies, environmental protection, technology and other key issues.



Texas Congressman August Pfluger (TX-11), whose District 11 includes Midland, Odessa and other areas of the Permian Basin, has been selected to join the Energy and Commerce Committee. He is the first West Texan to serve on the panel in nearly half a century and also the first member to represent Midland and Odessa on the committee. "Representing the hardworking men and women in the Permian Basin, the most prolific oil and gas-producing region in the world, is an incredible honor. Being appointed to the Energy and Commerce Committee means that Midland and Odessa have a voice and an advocate on the very committee tasked with securing our nation's energy supply," Congressman Pfluger said in a statement.

The Texas Independent Producers and Royalty Owners Association (TIPRO), alongside other oil and gas trade groups, praised Pfluger's selection for the committee, saying he is a tremendous advocate and leader for the state of Texas and energy industry. "On behalf of our thousands of members throughout the state, including West Texas, TIPRO applauds the appointment of Congressman Pfluger to the House Energy and Commerce Committee... we are fortunate to have him serving us in Washington, D.C.," TIPRO President Ed Longanecker said last week. "We look forward to continuing to work with his office to protect our nation's energy security and on many other pressing issues currently facing our state and country."

Also joining the Energy and Commerce Committee will be Texas Congressman Randy Weber (TX-14). "It is an honor to join the historic Energy and Commerce Committee and help to shape key policy in Congress," commented Congressman Weber. "My gulf coast district is an energy powerhouse with seven ports, seven of America's largest petroleum refineries, three LNG plants, and 60 percent of the nation's Strategic Petroleum Reserve. Texas' 14 Congressional District will bring an important perspective to the committee, where we represent the energy industry workers, plant managers and families. I look forward to fighting for American energy dominance against the radical green new deal policies that leave America begging for oil from foreign dictators. The Energy and Commerce Committee will hold the Biden Administration accountable and work to solve important issues for hard-working Americans," added the representative.

During the new term of Congress, the U.S. House Energy and Commerce Committee will be led by Congresswoman Cathy McMorris Rodgers (WA-05), who was named chair of the committee in mid-January. McMorris Rodgers will be the first woman in either party to chair this committee since its creation. The past two years, McMorris Rodgers played an important leadership role serving as the ranking member of the committee. "My commitment to find areas for common ground whenever possible will not change. Energy and Commerce has a rich history of building consensus to plow the hard ground necessary to legislate. That legacy will continue under my leadership," affirmed McMorris Rodgers.

To learn more about the U.S. House Energy and Commerce Committee, [click here](#).

## Lawmakers in the U.S. House of Representatives pass bill to ban sales of SPR oil to China

Just days into the 118<sup>th</sup> Congress, federal legislators serving in the U.S. House of Representatives passed House Resolution 22, the *Protecting America's Strategic Petroleum Reserve (SPR) from China Act*, with a bipartisan vote of 331-97. The legislation would prohibit direct or indirect sales of petroleum products from America's oil reserves to any entity that is under the ownership, control or influence of the Chinese Communist Party (CCP). Bill sponsors say the policy also will protect America's national and energy security by ensuring that U.S. SPR reserves are not sold to adversaries. Additionally, the act seeks to prioritize energy needs in the U.S.

"America's SPR – once the world's largest stockpile – has been depleted to the lowest levels since 1983. To date, President Biden has released more from the SPR than all U.S. presidents in history combined. Millions of barrels of that oil have gone to China, which now has the world's largest government-controlled stockpile of oil," said U.S. House Energy and Commerce Committee Chair Cathy McMorris Rodgers (R-WA). "Draining our strategic reserves for political purposes and selling it to China is a significant threat to our national and energy security. This must be stopped, which is why I'm proud to join my Republican colleagues in passing House Resolution 22, one of the most bipartisan votes on an energy bill in many years and multiple Congresses."

According to the U.S. Department of Energy, in April 2022, the Biden Administration sold nearly one million barrels of SPR oil to Unipac America, a subsidiary of Sinopec, a company owned by the CCP, as part of the White House's comprehensive plan to release oil supplies from the SPR in efforts to lower energy costs. Congressional members since that time have called for action to be taken to prevent the sale and export of oil withdrawn from U.S. reserves to China as well as other foreign adversaries. In addition to supporters of House Resolution 22 which just passed in the U.S. House, last summer, U.S. Senator for Texas Ted Cruz and other members of the U.S. Senate, also advocated for passage of the *No Emergency Crude Oil for Foreign Adversaries Act* to ensure that reserves sold from the U.S. SPR would not be exported to nations that are considered adversaries of the United States, including China, as well as Russia, North Korea and Iran. U.S. Senator John Barrasso (R-WY), ranking member of the Senate Committee on Energy and Natural Resources, also last year introduced legislation that would prohibit the energy secretary from selling crude oil from the SPR to countries of particular concern, including China. Senator Barrasso's bill sought to prohibit state-owned entities, which have purchased oil from nations under sanction by the United States, from purchasing SPR products. Senator Barrasso says that he intends to reintroduce his legislation when the Senate returns later this month.



## Energy secretary warns limiting president's SPR powers will "weaken" national energy security

In response to legislative proposals put forth in Congress aiming to limit the president's authority on releasing oil from the Strategic Petroleum Reserve (SPR), U.S. Energy Secretary Jennifer Granholm this week told U.S. lawmakers that such measures would "significantly weaken this critical energy security tool." In a letter first seen and reported on by *Reuters*, Secretary Granholm reportedly said that such presidential limits also could result in more oil supply shortages and lead to higher gasoline prices for Americans.

House Resolution 6235, the *Strategic Production Response Act*, introduced earlier this month by U.S. House Energy and Commerce Chair Cathy McMorris Rodgers (R-WA) and part of the Energy and Commerce Republican agenda, would prohibit the secretary of energy from tapping the SPR for non-emergency reasons until establishing a plan to increase oil and natural gas production on federal lands and waters. A spokesperson from the White House has called the bill "absolutely backwards" and said it would diminish one of the nation's best tools for offering relief to Americans from global oil spikes.

## Texas files legal challenge against Biden Administration's 'WOTUS' rule

Texas Attorney General Ken Paxton, acting on behalf of the state of Texas, the Texas Commission on Environmental Quality (TCEQ), Railroad Commission of Texas, Texas Department of Agriculture, Texas General Land Office and Texas Department of Transportation, announced a new lawsuit was filed on January 18, 2023, challenging the legality of the federal 'Waters of the United States' (WOTUS) regulation and seeking to block implementation of the rulemaking that was finalized at the end of December by the U.S. Environmental Protection Agency (EPA) and U.S. Army Corps of Engineers. As reported by TIPRO in the [January 5th TIPRO Target](#) newsletter, the EPA and Army Corps issued a new regulation defining the government's jurisdiction over bodies of water in the United States. The WOTUS rule will be effective on March 20, 2023. TIPRO members can learn more about this rulemaking by visiting the EPA's website at: <https://www.epa.gov/wotus>.

Texas, in its new legal challenge, contends that the federal agencies acted "unconstitutionally and impermissibly" beyond their authority delegated by Congress with the new WOTUS rule, and say the regulation infringes on state sovereignty and the liberties of the states and their citizens. The WOTUS rule also lacks clarity, argues Texas' attorney general, leaving those wishing to identify the ambit of federal power over dry land or minor water features at the mercy of an expensive, vague, and arbitrary analysis, lest they face a staggering criminal or civil penalty.

"Legal action is necessary to curtail this administration's continued intrusion into the rights of Texans and our ability to control our own natural resources," Attorney General Paxton said. "I'm proud to file this lawsuit challenging Biden's WOTUS rule and remain committed to pushing back against the Biden Administration's radical climate agenda."

TIPRO members may read the full lawsuit at: <https://bit.ly/3wIDHKB>.

## U.S. oil and natural gas production on track to increase next month

New data from the U.S. Energy Information Administration (EIA) projects oil and natural gas production in U.S. shale basins will continue to rise in February. The EIA said in its latest *Drilling Productivity Report*, published on January 17, that U.S. oil output next month will increase by 76,000 barrels per day (bpd) to hit 9.375 million bpd. In the Permian Basin, oil production is expected to jump to 5.365 million bpd. The Eagle Ford Shale, meanwhile, will see only modest growth in oil output, says the EIA, with production projected to go up just 4,000 bpd in the formation in February.

Otherwise, total natural gas production in the United States will increase to 96.6 billion cubic feet per day (bcfd) in February, forecasts the EIA. Natural gas output in the Permian will top 21.7 bcfd, and in the Haynesville formation, output will go up to 16.58 bcfd. In the Appalachia Basin, the biggest gas basin in the country, natural gas production will reach 35.4 bcfd, EIA analysts project.

## Texas Tech finishes work on operational drilling rig to give students hands-on training

Earlier this month, Texas Tech University announced the mast has been raised on a fully functional drilling rig located on the school's campus in Lubbock. With the mast raised, the rig structure is now in its final working position.

It is the first time a full-scale, fully operational, modern drilling rig has ever been built at a U.S. university. The drilling rig will offer students of Texas Tech University who are pursuing a career in the oil and gas industry important first-hand experiences and opportunities to learn how a rig is controlled and operated. The rig is fully functional, explains university leaders, and includes a circulation system as well as all standard equipment.

"It was built to give our students hands-on experience in the oilfield under a controlled environment where we have total safety," said Petroleum Engineering Department Chair Marshall Watson of the university's drilling rig.

All parts of the rig and the work required to assemble it onsite were donated to Texas Tech by college alumni and industry partners.

The Texas Independent Producers and Royalty Owners Association (TIPRO) continues to support young leaders entering the oil and gas field. The association encourage students with majors in energy-related disciplines to engage with the association through TIPRO's 'Young Leaders in Energy' Student Program, established to support the next generation of leaders within the Texas oil and natural gas industry. Learn more at: <https://bit.ly/3ZwpurJ>.



Photo courtesy of Texas Tech University



# TIPRO's 2023 ANNUAL CONVENTION— SIGN UP AS AN EVENT SPONSOR!

The Texas Independent Producers and Royalty Owners Association (TIPRO) will host its 77<sup>th</sup> Annual Convention in Austin, Texas, at the Sheraton Austin Hotel at the Capitol on April 3-5, 2023!

The TIPRO conference will bring together independent oil and gas producers, Texas mineral owners, business executives and other professionals in the energy sector, allowing attendees an opportunity to learn from elected officials, oil and gas leaders, and experts about priorities facing the Texas oil and natural gas industry. As part of TIPRO's meeting, there will also be opportunities for guests to meet and network with members of the association and form new business connections.

Consider signing up today to sponsor and support the association's event to gain prominent exposure for your company.

## AVAILABLE SPONSOR LEVELS:

Gold Sponsor.....	\$10,000
Silver Sponsor.....	\$7,500
Bronze Sponsor.....	\$5,000
Blue Ribbon Sponsor.....	\$3,500
Red Ribbon Sponsor.....	\$2,500
White Ribbon Sponsor.....	\$1,000
Supporting Sponsor.....	\$500

## OTHER SPONSOR OPPORTUNITIES:

Conference Totebag Sponsor.....	\$3,000
Conference Tumbler Sponsor.....	\$3,000 *SOLD*
Conference Lanyard Sponsor.....	\$2,000
Conference Amenity Sponsor.....	\$2,000
Conference Notebook Sponsor.....	\$2,000

**REVIEW SPONSOR BENEFITS ON THE FOLLOWING PAGE.**





# TIPRO Convention Sponsor Benefits

## Gold Sponsor - \$10,000

- Four all-access badges to TIPRO's Convention
- Four additional tickets for non-registered guests to the Chairman's Dinner\*
- Reserved table for eight at the Chairman's Dinner\*
- Premium placement and acknowledgement on all event materials and banner recognition
- Complimentary full-page ad in the event program
- Complimentary half-page ad in the TIPRO newsletter

## Silver Sponsor - \$7,500

- Three all-access badges to TIPRO's Convention
- Three additional tickets for non-registered guests to the Chairman's Dinner\*
- Premium placement and acknowledgement on all event materials and banner recognition
- Complimentary half-page ad in the event program
- Complimentary half-page ad in the TIPRO newsletter

## Bronze Sponsor - \$5,000

- Two all-access badges to TIPRO's Convention
- Two additional tickets for non-registered guests to the Chairman's Dinner\*
- Acknowledgement on all event materials and signage
- Complimentary half-page advertisement in event program
- Complimentary half-page advertisement in the TIPRO newsletter

## Blue Ribbon Sponsor - \$3,500

- Two all-access badges to TIPRO's Annual Convention
- Acknowledgement on all event materials and signage
- Complimentary half-page ad in event program
- Complimentary quarter-page ad in the TIPRO newsletter

## Red Ribbon Sponsor - \$2,500

- One all-access badge to TIPRO's Convention
- Acknowledgement on all event materials and signage
- Complimentary quarter-page ad in event program
- Complimentary quarter-page ad in TIPRO newsletter

## White Ribbon Sponsor - \$1,000

- One all-access badge to TIPRO's Convention
- Acknowledgement on all event materials and signage
- Acknowledgement in event program and TIPRO's newsletter

## Supporting Sponsor - \$500

- Acknowledgement on all event materials and signage
- Acknowledgement in event program and TIPRO's newsletter

## Other Contributing Sponsorships

### Conference Totebag Sponsor\*\* - \$3,000

- Company logo or name featured on totebags distributed to all TIPRO convention attendees
- One all-access badge to TIPRO's Convention

### Conference Tumbler Sponsor\*\* - \$3,000

- Company logo or name featured on tumbler bottles distributed to all TIPRO convention attendees
- One all-access badge to TIPRO's Convention

### Conference Lanyard Sponsor\*\* - \$2,000

- Company logo or name featured on lanyards distributed to all TIPRO convention attendees
- One all-access badge to TIPRO's Convention

### Conference Amenity Sponsor\*\* - \$2,000

- Company logo or name featured on amenity item distributed to all TIPRO convention attendees
- One all-access badge to TIPRO's Convention

### Conference Notebook Sponsor\*\* - \$2,000

- Company logo or name featured on notebooks distributed to all TIPRO convention attendees
- One all-access badge to TIPRO's Convention

\*Dinner tickets and reserved tables must be confirmed no later than March 24, 2023.

\*\*Exclusive to one participating sponsor.

To confirm availability of sponsor packages or learn more about sponsorship of TIPRO's convention, please contact Joanne Reynolds at (512) 477-4452 or email [joanne@tipro.org](mailto:joanne@tipro.org).



# TIPRO Convention Sponsor 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.



I would like to commit to the following sponsorship package (please check corresponding box):

- |   |  |
|---|--|
| <input type="checkbox"/> Gold Sponsor.....\$10,000        | <input type="checkbox"/> Conference Totebag Sponsor.....\$3,000                |
| <input type="checkbox"/> Silver Sponsor.....\$7,500       | <input type="checkbox"/> <del>Conference Tumbler Sponsor..\$3,000</del> *SOLD* |
| <input type="checkbox"/> Bronze Sponsor.....\$5,000       | <input type="checkbox"/> Conference Lanyard Sponsor.....\$2,000                |
| <input type="checkbox"/> Blue Ribbon Sponsor.....\$3,500  | <input type="checkbox"/> Conference Amenity Sponsor.....\$2,000                |
| <input type="checkbox"/> Red Ribbon Sponsor.....\$2,500   | <input type="checkbox"/> Conference Notebook Sponsor.....\$2,000               |
| <input type="checkbox"/> White Ribbon Sponsor.....\$1,000 |  |
| <input type="checkbox"/> Supporting Sponsor.....\$500     |  |

To confirm availability of sponsor packages or learn more  
about sponsorship of TIPRO's convention, please contact  
Joanne Reynolds at (512) 477-4452 or email [joanne@tipro.org](mailto:joanne@tipro.org).

## ATTENDEE INFORMATION

### BADGE 1 -- PRIMARY CONTACT

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

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

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

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

Mark if Attending: ☐ TIPRO Reception ☐ Breakfast ☐ Luncheon ☐ Chairman's Dinner ☐ Capitol Call-Up

### BADGE 2

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Mark if Attending: ☐ TIPRO Reception ☐ Breakfast ☐ Luncheon ☐ Chairman's Dinner ☐ Capitol Call-Up

### BADGE 3

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Mark if Attending: ☐ TIPRO Reception ☐ Breakfast ☐ Luncheon ☐ Chairman's Dinner ☐ Capitol Call-Up

### BADGE 4

Name: \_\_\_\_\_ Email: \_\_\_\_\_

Mark if Attending: ☐ TIPRO Reception ☐ Breakfast ☐ Luncheon ☐ Chairman's Dinner ☐ Capitol Call-Up

## PAYMENT INFORMATION

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

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

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

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

Signature: \_\_\_\_\_ CID: \_\_\_\_\_



# 2023 NAPE SUMMIT

FEB 1 – 3 • Houston • GRB Convention Center

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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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