



**Texas
Independent
Producers and
Royalty Owners
Association**

TIPRO's 77th Convention will bring state officials and energy experts together this spring to discuss industry priorities

This April, the Texas Independent Producers and Royalty Owners Association (TIPRO) looks forward to hosting members and oil and gas professionals in the state's capitol city for the association's 77th Annual Convention. Complete with leading insight on regulatory, policy and economic matters of significance to Texas producers and royalty owners, the TIPRO convention will also offer networking breaks and opportunities to interact with other industry executives.

The event is being held at the Sheraton Austin Hotel at the Capitol, and is scheduled to kick off on the evening of Monday, April 3, with a welcome reception, followed by a full-day of speaker presentations and chairman's dinner on Tuesday, April 4. On the morning of Wednesday, April 5, in conjunction with the convention, TIPRO plans to also lead legislative call-up meetings with state lawmakers and legislative staff at the Texas capitol.

Featured speakers of TIPRO's Annual Convention include: Texas Railroad Commission Chairman Christi Craddick, Texas Comptroller of Public Accounts Glenn Hegar, Texas House Energy Resources Committee Chairman Craig Goldman (R-Fort Worth), Texas House Environmental Regulation Committee Chairman Brooks Landgraf (R-Odessa), Texas State Representative Drew Darby (R-San Angelo), Matador Resources Chairman and CEO Joseph Wm. Foran, Schlumberger President (Americas Land) James McDonald, TIPRO Chairman and EnerVest CEO and President Jud Walker, Argus Media Chief Economist David Fyfe and other leaders.

"TIPRO's convention will include a strong line-up of government leaders and industry experts, and will provide a crucial platform for those in the oil and gas business to review some of the largest priorities facing the energy sector," said TIPRO President Ed Longanecker. "Timing of TIPRO's conference is also important, with the state's legislative session underway and policymaking advancing for how energy is developed and produced in the Lone Star State," Longanecker added.

Register for TIPRO's 77th Annual Convention using the form included on page 7 of this newsletter, or online at www.tipro.org!

TIPRO Annual Convention Sponsors: Thank You For Your Support!



Texas' lieutenant governor lays out top priorities for this year's legislative session

Texas Lieutenant Governor Dan Patrick, who presides over the state senate, this week published his list of priority bills which he hopes will be passed by the 88th legislature during the 2023 legislative cycle. Notably, this session, Patrick is calling for Texas lawmakers to pass policies that support the construction of more natural gas plants in Texas (Senate Bill 6), make additional improvements to strengthen the Texas power grid (Senate Bill 7) and address Texas' future water needs (Senate Bill 28).

"Each session, the 31 members of the Texas Senate file thousands of bills...The tradition has been for bill numbers 1 through 20 to indicate the lieutenant governor's and the Senate's priorities. In 2017, I increased the low bill numbers to 30," Patrick explained in a statement on Monday, February 13. "Senators like to get a low bill number because it shows their bill is also a priority of the lieutenant governor and has a great chance of passing. I believe Texans support our priorities because they largely reflect the policies supported by the conservative majority of Texans. Most will pass with bipartisan support," he added.

With the state holding a record-breaking surplus in revenue, the lieutenant governor also has promoted tax relief for Texans. He has called for legislators to provide property tax cuts, as well as take up other fiscal issues that ensure longevity of the state's economic strength.

Chairman's message

TIPRO members,

I hope you have had a productive and healthy start to the year. I find myself needing to re-focus my New Year's resolutions around this time of year (maybe six workouts a week was a bit of an overreach?). Similarly, our expectations for the work-year start to gel as budgets are executed and we navigate the endlessly changing variables in our business. Suffice to say that considerable change has occurred since the end of last year!

Oil prices have moved around a predicted \$80 per barrel (bbl) floor as recession fears have dampened but not fully dissolved. WTI ended 2022 up 6.7 percent, after a wild run-up over \$100/bbl in the middle of the year and is currently trading within 1 percent of its January opening. OPEC remains price focused and capacity constrained, and while global supply grew last year by 4.5 mmb/d, the rift between supply and demand will inevitably grow as global upstream capex fails to keep pace with growing demand. Closer to home, data from the U.S. Energy Information Administration (EIA) indicates that U.S. onshore production was up 634 mbo/d last year with Texas adding 150 mbo/d of incremental production. Degrading well performance in the major unconventional plays coupled with low reinvestment rates are a major emerging theme for lower 48 operators this year. The data clearly show wells are not getting better. In fact, double digit declines in 60-day cumulative rates are being observed in many core areas. I am a big believer that we will see a step change in technology over the next few years that will boost our recoveries and address the parent/child challenges we currently face.

Natural gas meanwhile has been on a gut-wrenching ride over the past few months. Henry Hub closed the year up 20 percent but started its dramatic slide at the end of '22. Year-to-date, Henry Hub is down 48 percent. In a matter of months, we have watched record gas pricing erode to levels where operators are once again discussing shut-in economics. Ample U.S. supply and inadequate liquefied natural gas (LNG) infrastructure are the culprit, however, bullish 2025+ demand should drive prices higher as multiple LNG facilities begin to ship gas to Europe and Asia. This expectation has kept the forward curve relatively strong. Navigating the volatile gas differential situation and a lack of hedges will be developing themes for many operators this year.

The M&A environment is the last piece of the story that we are all trying to predict. Continued themes from 2022 will be prevalent, but there is a sense the ability to get deals across the finish line is improving. Buyer interest is high, and many E&Ps have very healthy balance sheets. With urgency to address inventory concerns and flatter forward curves, we should see stronger M&A activity than we have seen over the past several years.

What can we say for certain? 2023 will have some surprises, good and bad. The U.S. and, more broadly, the world need the Texas independent more than ever. We will discuss many of these challenges and opportunities at TIPRO's 77th Annual Convention in Austin this April. At the conference, we have a great line-up of speakers ranging from state legislators to E&P CEOs. I look forward to seeing you there.

Jud Walker



Jud Walker

Congressional hearings in the Permian Basin focus on the importance of unlocking U.S. energy

Federal lawmakers this week were in West Texas to address the need for expanding America's energy output and enhancing the nation's energy independence. On Monday, February 13, several Republican members of the U.S. House Committee on Natural Resources' Subcommittee on Energy and Mineral Resources participated in a field hearing at the University of Texas Permian Basin to discuss how increasing domestic energy production benefits local communities. "I was extremely honored to welcome the first Natural Resources field hearing of the new Congress to West Texas," U.S. Representative August Pfluger (TX-11) said. "This hearing examined how oil and gas production benefits local communities, and there was no better place to begin this discussion than the Permian Basin. Our region is home to the largest secure supply of oil and gas in the world—it's time for Congress to recognize the benefit the region provides to America's economic and national security."

Meanwhile, representatives sitting on the U.S. House Subcommittee on Energy, Climate, and Grid Security also traveled to the Permian Basin for a separate field hearing in Midland on Thursday, February 16. There, congressional officials examined the impacts of policies promulgated by the Biden Administration the past two years that have limited American energy development and production. Policymakers also at the field hearing heard directly from community leaders on how the government can make people's lives better by expanding – not transitioning or shutting down – domestic energy production.

"Americans are currently struggling to afford some of the highest energy prices in decades. Rush-to-green policies have led to skyrocketing prices across the board—from electricity and oil to natural gas. This is not a path we can afford to continue down," stated House Energy and Commerce Committee Chair Cathy Rodgers (R-WA). "Instead, it's time to flip the switch and unleash American energy, one of our greatest economic and strategic assets. That starts by expanding domestic production, ensuring pipelines and other key infrastructure can be built, encouraging innovation, and reducing our reliance on foreign adversaries. We look forward to this field hearing in Midland, Texas, to discuss ways to expand energy production and restore American energy dominance."

TIPRO CALENDAR OF EVENTS

FEBRUARY 21, 2023

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

For information, email

info@houstonproducersforum.org.

MARCH 21, 2023

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

For information, email

info@houstonproducersforum.org.

APRIL 3-5, 2023

AUSTIN — TIPRO's 77th
Annual Convention.

For information, email

info@tipro.org.

House speaker releases chairmanships and committee assignments for legislature's lower chamber

Committee appointments have been announced in the Texas House of Representatives. On Wednesday, February 8, House Speaker Dade Phelan (R-Beaumont) unveiled assignments for the legislature's lower chamber, establishing which representatives will serve on standing committees in the House. "The issues facing our great state will require thorough conversations and collaboration inside the Texas House, and our chamber does its best work when lawmakers use their skill sets and strengths to work together and build consensus," said Speaker Phelan. "These assignments were made after careful consideration and extensive reflection, taking into account the committee preferences expressed by each member as well as the diverse talents they bring to the table — a combination that will help drive our chamber's success and impact on issues facing Texans this legislative session."

For a second session, Speaker Phelan has chosen Texas Representative Craig Goldman (R-Fort Worth) to lead the Texas House Committee on Energy Resources. Also serving on this important panel this legislative session will be: Vice-Chair Eddie Morales, Jr. (D-Eagle Pass), Rafael Anchía (D-Dallas), Charles "Doc" Anderson (R-Waco), Ernest Bailes (R-Shepherd), Tom Craddick (R-Midland), Drew Darby (R-San Angelo), Stan Gerdes (R-Smithville), R.D. "Bobby" Guerra (D-Mission), Shawn Thierry (D-Houston) and Erin Zwiener (D-Driftwood).

In addition, State Representative Brooks Landgraf (R-Odessa) this session will continue his chairmanship of the Texas House Committee on Environmental Regulation. During last year's legislative cycle, Representative Landgraf chaired this committee, which has jurisdiction over matters pertaining to air, land and water pollution, industrial development and environmental matters regulated by the Texas Commission on Environmental Quality and Department of State Health Services. "I am honored to serve as chair of the Environmental Regulation Committee, which is especially significant to West Texas," Representative Landgraf commented. "This is a responsibility I do not take lightly, and I will take full advantage of the opportunity to continue ensuring Texas industry can thrive while maintaining a pristine environment for future generations of Texans. I am laser-focused on fighting for the needs of my home region of the Permian Basin and our great state. My commitment to fulfill my sacred oath and represent my fellow West Texans is unwavering. I will relentlessly work and keep burning the candle at both ends to ensure the voices of West Texans are heard loud and clear in the halls of the Texas state capitol." Other members who will join Landgraf on the House Committee on Environmental Regulation are: Vice-Chair R.D. "Bobby" Guerra (D-McAllen), Keith Bell (R-Forney), Jay Dean (R-Longview), John Kuempel (R-Seguin), Janie Lopez (R-San Benito), Terry Meza (D-Irving), Ron Reynolds (D-Missouri City) and Penny Morales Shaw (D-Houston).

Otherwise, during this year's legislative session, State Representative Tracy King (D-Batesville) will also again lead the House Committee on Natural Resources. Also sitting on this legislative committee will be: Vice-Chair Ed Thompson (R-Pearland), Erin Gámez (D-Brownsville), Kyle Kacal (R-College Station), Stan Kitzman (R-Pattison), Suleman Lalani (D-Sugar Land), Will Metcalf (R-Conroe), Four Price (R-Amarillo), Ana-Maria Ramos (D-Richardson), Glenn Rogers (R-Graford), Senfronia Thompson (D-Houston) and Erin Zwiener (D-Driftwood).

Other notable appointments by Speaker Phelan include Representative Terry Canales as chairman of the House Committee on Transportation, Representative Morgan Meyer as chair of the House Committee on Ways and Means, and Representative DeWayne Burns (R-Cleburne) as chair of the House Committee on Land and Resource Management. TIPRO members may view all House committee appointments [here](#).

As TIPRO also previously reported in the February 3rd *TIPRO Target* newsletter, committee assignments already have been made in the Texas Senate. To see the complete list of committee appointments for the Texas Senate, visit: <http://bit.ly/3XW9xKt>.

Stream energy and climate talk show *Energy Switch* online!

Members of TIPRO can now stream online *Energy Switch*, an energy and climate point-counterpoint style talk show moderated by leading energy scientist and Bureau of Economic Geology (BEG) Director Dr. Scott Tinker. The television show features renowned experts and high-level guests from government, NGOs, academia and industry, providing differing perspectives on important energy and climate topics impacting the United States and countries around the world. Episodes address a range of issues, including the future of natural gas, the geopolitics of energy and the nation's need for a thriving oil and gas industry.

Energy Switch has been picked up by PBS World channel and is now watched on over 80 percent of PBS stations nationwide in 100 million households.

Season 1 of the show can be streamed for free by visiting: <https://switchon.org/tv-series/energy-switch/>. Season 2 of *Energy Switch* is expected to be released in April.



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CLEAN UP ENERGYSM

Railroad Commission adds new monitoring and reporting requirements for Permian disposal wells

The Railroad Commission of Texas earlier this month said it will add more requirements for new disposal well permits in the Permian Basin to assist the agency and industry in monitoring and responding to injection and reservoir conditions that may be conducive to induced seismicity. The commission issued a notice to oil and gas operators on February 6th outlining plans to adjust regulatory permitting for certain new disposal wells in West Texas. State regulators indicate that certain new disposal wells in the region will be required to be equipped and operated with a bottomhole pressure monitoring gauge. These permit conditions will apply to:

- (1) all new “deep” disposal wells in the Permian Basin, and
- (2) all new “shallow” disposal wells in the Permian Basin that are within an area designated by the Railroad Commission as a Seismic Response Area (SRA).

Operators of the disposal well will have to report daily injection data monthly to the agency. This will include the following parameters:

- Maximum surface injection pressure
- Average surface injection pressure
- Maximum bottomhole injection pressure
- Average bottomhole injection pressure
- Injection volume
- Maximum injection rate
- Average fluid density

According to the commission, this information will be made available to industry, academia, the public and commission staff via the Bureau of Economic Geology’s (BEG) TexNet Injection Volume Reporting Tool, available at <https://injection.texnet.beg.utexas.edu/>.

Operators of disposal wells in the Permian also will be required to measure the initial reservoir pressure prior to beginning injection, to conduct periodic fall-off tests to evaluate the average reservoir pressure, and to report this information to the Railroad Commission. On a case-by-case basis, commission staff may determine that these permit conditions are not required for a particular new disposal well application if the reservoir is already adequately monitored in a nearby disposal well. In addition, all other new disposal well permits in the Permian Basin with a permitted maximum daily injection volume of 5,000 barrels per day or more will include a permit condition requiring the operator to report daily injection volume, surface injection pressure and fluid density data.

TIPRO members can learn more by reviewing the complete Railroad Commission notice distributed to operators [here](#).

Texas readies to sue Biden Administration over impending Lesser Prairie-Chicken ESA listing

With a looming listing of the Lesser Prairie-Chicken under the Endangered Species Act (ESA), Texas Attorney General Ken Paxton in February said his office was gearing up to sue the U.S. Fish and Wildlife Service (USFWS) and the U.S. Department of the Interior over the Biden Administration’s new rule recognizing the bird as “threatened” in the northern part of its range and “endangered” in the southern part of its range, both of which cover expansive regions within Texas.



Photo Credit: Greg Kramos/USFWS

Last November, the USFWS published a final rule that lists the two Distinct Population Segments (DPS) of the Lesser Prairie-Chicken under the ESA. The service also published a final 4(d) rule designed to conserve the Northern DPS of Lesser Prairie-Chicken while allowing greater flexibility for landowners and land managers. Recently, federal regulators delayed the effective date of this action, extending the implementation date of the bird’s ESA listing to March 27, 2023.

In the meantime, officials from Texas have continued to speak out against the Lesser Prairie-Chicken’s forthcoming listing under the ESA. As TIPRO reported previously to members, Texas Congressmen August Pfluger (TX-11) and Ronny Jackson (TX-13) joined a group of U.S. legislators urging the service earlier this year to revoke the listing of the Lesser Prairie-Chicken, and at minimum postpone the effective date of the listing so stakeholders and involved parties would have adequate time to effectively comply with the rule and also participate in or expand voluntary conservation prior to the primary nesting season of the Lesser Prairie-Chicken. At the end of January, Texas Comptroller Glenn Hegar also issued his own notice advising private landowners and industry stakeholders, including those in energy and agriculture, in the Texas Panhandle to monitor developments associated with this endangered species listing. “While USFWS’ rule delay will give stakeholders more time to plan, the rule itself continues a troubling trend of federal attempts to strangle Texas’ energy and agriculture industries,” the comptroller said. “Texas leads the nation in energy production and remains one of the nation’s top agriculture-producing states, and I am committed to keeping it that way. I look forward to working with our state and federal partners to balance efforts to increase the Lesser Prairie-Chicken population with the need to protect Texas energy producers, farmers and ranchers from burdensome federal overreach.”

Now, Texas’ legal officer is also stepping in, having issued a required Notice of Intent (“NOI”) to the Biden Administration in mid-February to initiate a lawsuit on behalf of the state government fighting the new rule listing the Lesser Prairie-Chicken. The attorney general argues that the bird’s new classification status will burden Texas property owners with onerous new regulations wherever Lesser Prairie-Chickens are present. He also asserts the recent decision by federal regulators to list the Lesser Prairie-Chicken under the ESA was done with inadequate consideration of ongoing conservation measures and in violation of several federal laws.

“I will not tolerate the Biden Administration’s efforts to run roughshod over the property rights of Texans and to stop our conservation efforts aimed at protecting Texas wildlife,” commented Attorney General Paxton. “This rule was a targeted attempt to implement an unlawful, top-down federal approach aimed at advancing a radical environmentalist agenda, which would crush the type of economic development that aids in providing funds for conservation. This isn’t going to fly in Texas,” he declared.

Texas regulators express concern over EPA proposal regulating oil and gas methane emissions

Earlier this week, state regulators at the Railroad Commission of Texas and Texas Commission on Environmental Quality (TCEQ) expressed concerns over the Environment Protection Agency's (EPA) proposed supplemental rule seeking to regulate methane and greenhouse gas emissions from the oil and natural gas industry. Within joint comments filed by the state agencies on Monday, February 13, the Railroad Commission and TCEQ argued that the proposed federal rule package exceeds EPA's statutory authority under the Clean Air Act and will significantly limit domestic energy supply. State leaders also said that at a time of energy fluctuations due to international conflict, the United States could not afford to clamp down on its most important oil and gas producing state.

"The EPA's overreaching methane rules and unrealistic timeline are yet another example of the Biden Administration's attempt to shut down the oil and gas industry in Texas," said Railroad Commission Chairman Christi Craddick.

"Not only does this rule threaten Texas energy production, it does so by disproportionately impacting small and medium producers who live and work in their community, buy supplies, hire locally, and are important contributors to their local economies," described Railroad Commissioner Jim Wright.

TIPRO members may see the joint comments submitted by the Railroad Commission and TCEQ here: <https://bit.ly/3ICLxh7>.

Texas asks courts to block enforcement of Biden Administration's WOTUS regulation

Though the state of Texas this year already has pursued legal action to defend Texans from the Biden Administration's recent rulemaking modifying the federal government's definition of "waters of the United States" ("WOTUS"), Texas Attorney General Ken Paxton announced last week his office has also filed a motion with the courts seeking a preliminary injunction to prevent the implementation and enforcement of the revised federal water regulation.

WOTUS establishes the geographic scope of federal jurisdiction under the Clean Water Act (CWA). At the end of 2022, the U.S. Environmental Protection Agency (EPA) and the U.S. Department of the Army (together, the agencies) announced a final rule amending the definition of WOTUS to recognize the essential role of the nation's water resources in communities across the nation but also potentially expand the regulatory framework surrounding WOTUS with updates to reflect existing Supreme Court decisions, the latest science and the agencies' technical expertise. The new rule will be effective on March 20, 2023. TIPRO members can review the final rule notice from the agencies [here](#) and also learn more about WOTUS on the EPA website by going to www.epa.gov/wotus.

On January 18, 2023, Attorney General Paxton filed a lawsuit in a federal district court challenging the new administration's definition of WOTUS, arguing that the rule unlawfully exceeds federal agency authority by asserting jurisdiction over Texas' lands and water resources. Under the revised WOTUS rule, the attorney general says the EPA and Department of Army are seeking to grow federal administrative power by expanding the limits of their own jurisdiction beyond what Congress delegated to them. By design, Congress expressly limited their jurisdiction to "navigable waters." Ignoring Congress's direction, the WOTUS rule seeks to subject land with isolated wetlands, ephemeral streams and off-channel reservoirs to an expensive and burdensome federal permitting process, maintains Texas' chief legal officer. The Biden Administration's WOTUS rule could also disrupt the state's development and management of its own energy, agriculture, and transportation infrastructure, forewarned the attorney general.

"For this administration, this isn't about environmental protection—it's about federal control over states like Texas, and we aren't going to allow it. This rule is unlikely to survive our efforts to stop it permanently, and it is important that the court prevents the change in definition from going into effect until our case has been decided," the attorney general declared.

TIPRO members can see the state's full motion for preliminary injunction [here](#). To read Texas' WOTUS legal complaint, go to: <https://bit.ly/40Z21jU>.

Biden Administration proposes more regulatory changes to Endangered Species Act

The Biden Administration is again pursuing more changes to the Endangered Species Act (ESA), as part of an effort to strengthen the bedrock conservation law used to protect and save animals and plants. Federal regulators announced earlier this month that the U.S. Fish and Wildlife Service (USFWS) is proposing a new rule that would revise and improve permitting under Section 10 of the ESA to promote species conservation through voluntary agreements.

According to the USFWS, ESA Section 10 permits have long been used to encourage Candidate Conservation Agreements with Assurances (CCAA) and Safe Harbor Agreements, which are voluntary landowner agreements designed to benefit candidates or listed species, respectively. They have also been used to permit the take of listed species incidental to private development activities. ESA Section 10 permits allow for a variety of activities, some of which can benefit endangered species through innovation. More information on Section 10 of the ESA can be found [here](#).

The administration intends to overhaul the USFWS' ESA permitting regulations to encourage more individuals and companies to engage in voluntary programs, thereby generating greater conservation results overall. The USFWS also is proposing technical and administrative changes to the regulations to reduce costs and time associated with negotiating and developing the required documents to support permit applications. These revisions do not significantly change the current implementation of the Section 10 ESA program and do not expand the reach of species protections.

"As we celebrate the 50th anniversary of the ESA, it's critical that we reflect on the lessons learned from implementing this landmark conservation law and assess what the next 50 years of species conservation should look like," U.S. Interior Secretary Deb Haaland said.

"It's more important than ever to incorporate the knowledge gained from working with landowners and conservation partners in developing and permitting voluntary conservation agreements," added USFWS Director Martha Williams. "These improvements will assist landowners who want to manage their lands and undertake development activities while also implementing conservation efforts for species that need help."

Learn more about this federal rulemaking by visiting www.regulations.gov and in the search box, enter FWS-HQ-ES-2021-0152.

Energy Department to sell 26 million barrels of SPR oil as reserve falls to near-record lows

Officials with the U.S. Department of Energy confirmed in February that 26 million barrels of crude oil from the Strategic Petroleum Reserve (SPR) will be sold in Fiscal Year 2023, fulfilling congressional mandates set forth in a 2015 budget law. The transaction means more of the nation's emergency oil reserves will be withdrawn, causing total SPR levels to sink to ~345 million barrels by mid-year, hovering near 40-year lows. The oil for the SPR sale is expected to be pulled from the Big Hill and West Hackberry SPR storage sites, said the Energy Department, with deliveries beginning as early as April 1, 2023.

After the government announced the congressionally-mandated sale of SPR oil, officials continued to press the administration for causing oil supplies in the SPR to reach dangerously low amounts, risking the nation's ability to provide much-needed energy resources amid disasters and other unexpected events. House Energy and Commerce Committee Chairwoman Cathy Rodgers (R-WA) in a statement this week said President Biden had turned a longtime bipartisan strategic asset into a political tool with no plan to refill it. "He has weakened our energy security, hurt our ability to respond to true emergencies, and emboldened the Chinese Communist Party. It isn't sustainable. That is why one of our first orders of business this Congress was stop President Biden from abusing the SPR."

U.S. Senator Ted Cruz reintroduces bill to protect U.S. crude oil reserves from foreign adversaries

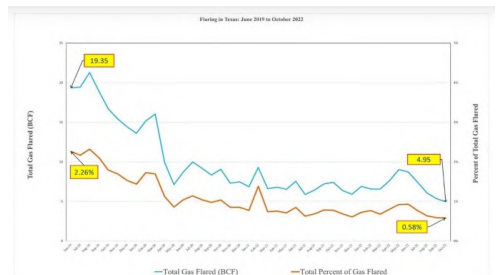
U.S. Senator for Texas Ted Cruz in February reintroduced legislation that seeks to protect American oil stored in the nation's emergency reserves from being exported to nations considered adversaries of the United States. The proposed policy from Senator Cruz would make sure America's oil reserves which are held in the U.S. Strategic Petroleum Reserve (SPR) will not be sold off to bad-actor nations that include China, Russia, North Korea and Iran. Senator Cruz's act also would require the U.S. Department of Energy to report the destination of exported oil from recent SPR auctions. Senator Cruz originally filed the bill, called the *No Emergency Crude Oil for Foreign Adversaries Act*, last summer, though it failed to be passed by Congress. See the full text of the bill [here](#).

Meanwhile, representatives serving in the U.S. House already in January successfully passed legislation with an overwhelming, bipartisan vote of 331-97 that specifically would block SPR sales to China. Senator Cruz, along with Senators John Cornyn (R-Texas), Joe Manchin (D-West Virginia) and 15 other lawmakers, have introduced similar legislation in the Senate that also would prohibit the sale of American crude oil from the SPR to any company under the control of the Chinese Communist Party and prohibit the export of any crude oil from the SPR to China. "The SPR was intended to ensure that America had sufficient oil reserves in the event of an emergency. Under no circumstances should we sell any part of this stockpile to the Chinese Communist Party or any company under its control. We need to immediately act to stop this from happening in the future and unleash American energy," said Senator Cruz.

Texas Railroad Commission: Flaring rate in Texas continues to decline

The Railroad Commission of Texas, the state regulatory agency that oversees oil and natural gas development and also manages flaring and venting activities in Texas, recently reported on flaring trends, saying flaring amounts from Texas companies have continued to decrease in recent years. Inside the commission's most current monthly newsletter, regulators highlighted data showing the flaring rate in Texas has dropped by almost 75 percent since June 2019. "For the most recent month that data is available, October 2022, the flaring rate was 0.58 percent, meaning more than 99 percent of gas produced in Texas was being beneficially used," the commission explained.

Texas oil and natural gas companies remain committed to reducing flaring and lowering emissions across operated assets. The Texas Methane and Flaring Coalition, of which TIPRO is a supporting member, is helping producers to adopt best in-class practices to minimize flaring and emissions — learn more at www.texasmethaneflaringcoalition.org.



Time's running out to sign up for this month's "Leaders in Industry" luncheon!

Sign up today for the next "Leaders in Industry" luncheon, taking place next Tuesday, February 21st at the Petroleum Club of Houston. The event, hosted by the Texas Independent Producers & Royalty Owners Association (TIPRO), Independent Petroleum Association of America (IPAA) and Houston Producers Forum (HPF), will feature commentary from Nicholas O'Grady, chief executive officer of Northern Oil and Gas, Inc.



Nicholas O'Grady

O'Grady has served as the chief executive officer of Northern Oil and Gas since January 2020 and leads the Northern team in all respects of the business, including investments, financial management and business strategy. O'Grady has helped facilitate over \$1.2 billion in acquisitions and \$2.4 billion in gross financings during his tenure at Northern. He has nearly two decades of finance experience, both as an investment banker and as a principal investor. Prior to his promotion to CEO of the company, O'Grady held the title of president for Northern and also previously was the company's chief financial officer.

O'Grady began his career in the natural resources investment banking group at Bank of America. Later moving to the hedge fund industry, he worked at firms such as Highbridge Capital Management. Immediately prior to Northern, O'Grady worked at Hudson Bay Capital Management, where he focused on energy-related equities, public credit, private and direct investments.

In addition to remarks by O'Grady at the TIPRO/IPAA/HPF luncheon, attendees will also have time to network and meet other industry professionals during the event.

To reserve your seat for the February "Leaders in Industry" luncheon, go to: bit.ly/3kB1TGh.



TIPRO Annual Convention Event Registration Form

APRIL 3-5, 2023

SHERATON HOTEL AT THE CAPITOL
AUSTIN, TEXAS

REGISTRATION FEES

MEMBER FEES:

(FULL PASS INCLUDES ALL CONFERENCE SESSIONS AND MEALS)

- ☐ **MEMBER: \$525 (*DISCOUNTED EARLY BIRD RATE ONLY AVAILABLE THROUGH FEBRUARY 19TH!)**
- ☐ **SPOUSE: \$350**

NON-MEMBER FEES:

(FULL PASS INCLUDES ALL CONFERENCE SESSIONS AND MEALS)

- ☐ **NON-MEMBER: \$725 (*DISCOUNTED EARLY BIRD RATE ONLY AVAILABLE THROUGH FEBRUARY 19TH!)**
- ☐ **SPOUSE: \$450**

**PLEASE RETURN YOUR COMPLETED FORM BY MAILING TO:
TIPRO, 919 CONGRESS AVENUE, SUITE 1000, AUSTIN, TEXAS 78701.
REGISTRATION FORMS MAY ALSO BE EMAILED TO INFO@TIPRO.ORG OR FAXED TO (512) 476-8070.
TIPRO MEMBERS ARE ALSO ENCOURAGED TO SIGN UP ONLINE FOR THE TIPRO CONVENTION THROUGH TIPRO'S MEMBER PORTAL.**

REGISTRANT INFORMATION

Name: _____ Title: _____

Company: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone: _____ Email: _____

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

Spouse's Name (If Attending): _____

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



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: _____

Billing Address: _____

Credit Card Number: _____ Exp. Date: _____

Signature: _____ CID: _____

No refunds for cancellations after March 24, 2023.



RESERVE YOUR HOTEL ACCOMMODATIONS FOR TIPRO'S 2023 ANNUAL CONVENTION!

**ONCE YOU'VE REGISTERED
FOR TIPRO'S 77TH ANNUAL
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ALSO BOOK YOUR ROOM
AT THE SHERATON AUSTIN
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Website: https://bit.ly/TIPRO2023Convention_Hotel

Telephone: (512) 478-1111



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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