



**Texas  
Independent  
Producers and  
Royalty Owners  
Association**

## **TIPRO releases '2026 State of Energy' report, highlighting the significant impact of oil and gas production for the Texas economy**

The Texas Independent Producers and Royalty Owners Association (TIPRO) recently released the 11<sup>th</sup> edition of its “State of Energy Report,” offering a detailed analysis of national and state trends in oil and natural gas employment, wages and other key economic factors for the energy industry in 2025. TIPRO’s “State of Energy Report” series was developed to quantify and track the economic impact of the domestic oil and natural gas sector with an emphasis on the state of Texas.

According to the new TIPRO report, the industry supported 2,043,859 direct jobs in the U.S. last year, with total direct and indirect jobs tied to the industry reaching more than 19 million. The U.S. oil and natural gas sector paid a national annual wage averaging \$84,574 and had a combined payroll of \$173 billion. Total U.S. goods and services purchased in 2025 by the oil and natural gas industry reached \$722 billion from over 900 business sectors, notes TIPRO. Direct Gross Regional Product (GRP) also exceeded \$1 trillion last year.

In Texas, the oil and gas industry once again led the nation in industry employment last year, accounting for 23 percent of all oil and gas jobs in the nation, as outlined in the association’s new report. The industry supported a total of 476,777 direct jobs in Texas in 2025, with total direct and indirect employment of 2.5 million. Total U.S. goods and services purchased by the Texas oil and natural gas industry reached \$263 billion last year, 81 percent of which came from Texas businesses, benefiting virtually every business sector in the state. Direct GRP equaled \$385 billion in 2025, supporting 36 percent of the state economy.

The Lone Star State again was the nation’s top oil producer, supplying nearly 2.1 billion barrels of oil to energy markets in 2025, setting a new record. TIPRO reports that Texas also broke a new record in natural gas output last year with over 13.5 trillion cubic feet of gas produced. U.S. crude oil production averaged a record 13.6 million barrels per day in 2025. Further, U.S. natural gas production in 2025 averaged a record 118 billion cubic feet per day, according to updated production data from the EIA.

“Despite facing a number of unique challenges, the U.S. oil and gas industry continued to offer significant economic support in 2025, while providing reliable and affordable energy to meet growing domestic and global demand,” said Ed Longanecker, president of TIPRO. “Thanks to record production, driven significantly by the Permian’s improved well-productivity, domestic demand was met and natural gas continued to supply affordable and reliable power. We applaud the Texas oil and natural gas industry and the policymakers that understand its importance,” added Longanecker.

*Read more about TIPRO's new energy report on Page 6...*

## **Iran conflict drives sharp price volatility for oil and natural gas**

The onset of U.S. and Israeli military action in Iran has sent shockwaves through global energy markets, primarily due to Iran’s effective closure of the Strait of Hormuz—a critical chokepoint for 20 percent of the world’s oil supply and about 20 percent of global LNG shipments. In the wake of the Iran conflict, with movement through the Strait of Hormuz largely blocked, Brent crude surged from \$71 to over \$104 per barrel by early March, while WTI prices have experienced similar volatility, briefly touching triple digits before settling near \$94.

President Donald Trump has appealed to other nations to help police the Strait of Hormuz, which would open the passageway back up for tankers to transport global oil and LNG. On Monday, March 16, however, several U.S. allies signaled they had no immediate plans to send ships to unblock the Strait of Hormuz.

For U.S. oil producers, this turn of events has drastically altered the 2026 energy outlook. The U.S. Energy Information Administration (EIA) recently revised its price forecast upward, saying in its new [March "Short-Term Energy Outlook"](#) that Brent crude oil prices will likely remain above \$95 per barrel over the next two months, before falling below \$80 per barrel in the third quarter of 2026 and land around \$70 a barrel by the end of the year.

A new [analysis](#) by Enverus Intelligence® Research (EIR), a subsidiary of Enverus, the leading energy data analytics platform and TIPRO member, also discusses energy market implications from the possible extended closure of Strait of Hormuz transit. “A prolonged disruption to the Strait of Hormuz would represent a significant macroeconomic shock and rapidly tighten energy balances, while raising the risk of recession,” said Al Salazar, head of macro research at EIR. “A one-month closure alone would draw an estimated 400 million barrels from global inventories, quickly erasing today’s modest surplus and pushing prices materially higher as importers move to secure supply.”

U.S. natural gas prices could also move materially higher in response to global LNG tightness, advised EIR, benefiting producers in the near term but also potentially incentivizing increased drilling activity over time, particularly in formations like the Haynesville shale.



## A message from TIPRO's President

TIPRO Members,

Geopolitical tensions in the Middle East continue to create major uncertainty for global energy markets. The ongoing conflict between the United States, Israel and Iran has disrupted shipping through the Strait of Hormuz, which carries approximately one-fifth of the world's oil supply. Force majeure declarations by key producers, including in Qatar, have significantly reduced liquefied natural gas (LNG) availability. These developments have led to sustained volatility in crude oil and natural gas markets.

The coming weeks will be critical for the industry. Further escalations in the region could intensify supply constraints, drive additional upward pressure on energy prices, and prompt policy responses both domestically and internationally. In this environment of heightened uncertainty, reliable domestic oil and natural gas production stands as a cornerstone of energy security for the United States. Record levels of U.S. output in recent years, led by Texas producers, have provided a vital buffer against foreign supply disruptions, reduced dependence on volatile global markets, supported lower energy costs for American consumers and businesses and reinforced national economic stability. Maintaining and expanding this domestic capability is essential to preserving competitive advantages for our state and country in a challenging global landscape.

Timely access to reliable market analysis from industry experts and direct discussions with state and federal policymakers is essential for navigating these conditions and making informed decisions.

[TIPRO's 80<sup>th</sup> Annual Convention](#) arrives at an especially important time. For eight decades, TIPRO has represented producers and royalty owners through numerous boom-and-bust cycles. From the post-World War II expansion and the oil shocks of the 1970s, through the severe downturns of the 1980s and 2010s, to the shale revolution and current geopolitical pressures, TIPRO has stayed committed to its core mission. That mission includes advocating for policies that ensure fair market access, reasonable regulations, and the long-term strength of Texas energy production. This consistent focus has enabled our members to endure difficult or uncertain periods and help position America as the world's leading energy producer.

TIPRO's convention program will deliver practical perspectives on current volatility, supply-demand dynamics and effective approaches to support and strengthen domestic production amid ongoing market challenges.

If you haven't registered already, I hope you will join us to celebrate our 80<sup>th</sup> anniversary, benefit from the substantive content addressing market outlook scenarios and policy developments, and take advantage of the many opportunities to network with industry peers and key stakeholders.

For the full agenda and registration details, please visit <https://tipro.org/annual-convention/>. Your participation and support strengthen our collective ability to address these uncertainties, advance our industry, and uphold the priorities that have defined TIPRO for 80 years. We look forward to seeing you in Houston.

Best regards,  
Ed Longanecker



**Ed Longanecker**

## Cheniere EVP Anatol Feygin to speak at the next TIPRO-HPF-IPAA luncheon

At the next upcoming "Leaders in Industry" luncheon, hosted in Houston on April 21<sup>st</sup> by the Texas Independent Producers and Royalty Owners Association (TIPRO), Houston Producers Forum and Independent Petroleum Association of America (IPAA), hear from Cheniere Energy Executive Vice President and Chief Commercial Officer Anatol Feygin.

Feygin has served in his role as executive vice president and chief commercial officer since September 2016. Feygin also currently serves as a director and executive vice president and chief commercial officer of Cheniere Partners GP.

He joined Cheniere in March 2014 as senior vice president of strategy and corporate development. Prior to his time with Cheniere, Feygin worked with Loews Corporation from November 2007 to March 2014, most recently as its vice president, energy strategist and senior portfolio manager. Before joining Loews, Feygin spent three years at Bank of America, most recently as head of global commodity strategy. Feygin began his banking career at J.P. Morgan Securities Inc. as senior analyst of natural gas pipelines and distributors. He previously served on the board of directors of Diamond Offshore Drilling, Inc., an offshore drilling provider, from May 2019 to April 2021.

To sign up to hear commentary from Feygin at next month's "Leaders" luncheon, please [click here](#).



**Anatol Feygin**

## TIPRO CALENDAR OF EVENTS

**MARCH 30-31, 2026**

HOUSTON — TIPRO  
80<sup>th</sup> Annual Convention.  
For information, email  
[info@tipro.org](mailto:info@tipro.org).

**APRIL 21, 2026**

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

**MAY 19, 2026**

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

## Railroad Commission hosts its third public listening session

The Railroad Commission of Texas last week conducted its latest virtual listening session, giving stakeholders and members of the public an opportunity to learn about the commission's regulatory functions and its role overseeing the state's oil and gas industry. During the listening sessions, public questions and comments are addressed in real time by Railroad Commission staff who are subject-matter experts.

The commission first launched its new Listening Session series last Fall, providing another way for Texans to connect and speak directly with staff at the regulatory agency. The inaugural listening session was first held in November, with a second session also held in January.

"We want to better understand the perspectives of those we serve, and these conversations help us listen, learn and lead with the best interest of Texans in mind," Railroad Commission Executive Director Wei Wang said.

The listening sessions, which occur every other month, are organized by the Railroad Commission's Office of Public Engagement (OPE). The Listening Sessions program is a part of the commission's continuous commitment to inform and involve Texans in the vital work of the commission. TIPRO members can learn more about the Railroad Commission's Listening Session series by seeing the commission's "Frequently Asked Questions" page at <https://www.rrc.texas.gov/public-engagement/listening-sessions-faq/>.

## In a letter to Trump, Railroad Commission chairman reaffirms strength of Texas' energy industry

In a new letter sent this week to U.S. President Donald Trump and members of the National Energy Dominance Council (NEDC), Texas Railroad Commission Chairman Jim Wright emphasized the state's role supporting national energy security and America's energy needs, especially amid heightened global uncertainty and geopolitical conflict in the Middle East.

In his letter, Chairman Wright said that Texas energy production remains strong and reliable, and that the commission is prepared to work collaboratively with federal leaders and industry partners to ensure America's energy supply remains secure.

"Texas energy has long been the foundation of our nation's economic strength and national security," Chairman Wright wrote to the president. "In times of global uncertainty, the continued development of American oil and natural gas resources—guided by responsible oversight and sound policy—remains one of our greatest strategic advantages."

As the primary regulator of oil and gas production in Texas, the Railroad Commission oversees an industry that produces approximately 43 percent of the nation's crude oil and 29 percent of its natural gas, while regulating nearly half a million miles of pipeline infrastructure that helps deliver American energy to refineries and consumers across the country.

TIPRO members can read Chairman Wright's full letter by [clicking here](#).

## Gov. Abbott launches Texas Jobs Council to further strengthen the state's workforce pipeline

Joined at the Governor's mansion by state business and labor leaders, Texas Governor Greg Abbott on Monday, March 16<sup>th</sup> launched the Texas Jobs Council, a new advisory board formed to strengthen Texas' workforce development initiatives and ensure Texans are prepared to fill the state's growing number of high-demand jobs.

"Texas right now is the hottest state in America for business and labor opportunities," described Governor Abbott. "For us to maintain our dominance, business and labor are working together to meet the high demand for high skilled labor, positions like electricians, pipe fitters, welders, plumbers, truckers, and a whole lot more. Today, we galvanized that partnership with the launch of the Texas Jobs Council. We are unified on a mission that benefits all Texans. A mission that will keep Texas number one for business, keep Texas number one for jobs, and keep Texas number one for workforce training, ensuring great careers for generations of Texans."

The council will focus on developing executive actions that can be implemented immediately by state agencies to reduce regulatory burdens and red tape surrounding workforce development and will also work on preparing policy and legislative recommendations to be presented to the governor and state legislature ahead of the 90<sup>th</sup> Legislative Session.

## ExxonMobil relocating its legal home from New Jersey to the Lone Star State

Leaders of ExxonMobil Corporation announced on March 10<sup>th</sup> its Board of Directors has unanimously recommended shareholders approve changing the company's legal domicile from New Jersey to Texas. Exxon's board concluded that aligning ExxonMobil's legal headquarters with where its leadership and core operations have been based since 1989 will benefit shareholders.

"Over the past several years, Texas has made a noticeable effort to embrace the business community. In doing so, it has created a policy and regulatory environment that can allow the company to maximize shareholder value. Aligning our legal home with our operating home, in a state that understands our business and has a stake in the company's success, is important," explained Darren Woods, ExxonMobil chairman and chief executive officer.

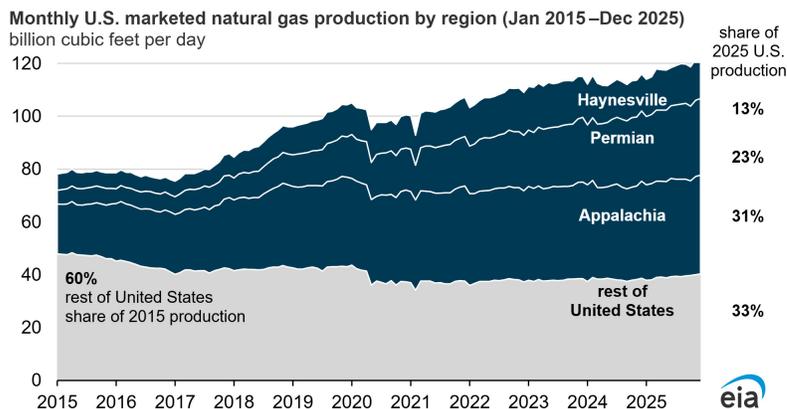
Greg Abbott, the governor of Texas, expressed his support for Exxon's decision to move its legal domicile to the state of Texas, crediting Texas' regulatory environment, its predictable corporate laws and modern, business-focused legal system for helping entice Exxon to change its legal domicile. "Freed from the stranglehold of over-regulation, Texas is where global brand leaders thrive and jobs for hardworking Texans grow. I thank ExxonMobil for their decision to redomicile in Texas and for their long-standing partnership with our state. With this decision, Texas will further dominate the corporate landscape and ensure our economic growth reaches new heights," Governor Abbott said in a statement.

ExxonMobil noted that its connection to New Jersey has largely been historical, dating back to the 1882 incorporation of Standard Oil of New Jersey. The company explained that its Board of Directors has not held a meeting in New Jersey for more than 40 years. Today, Texas is the center of the company's executive leadership, corporate functions, major research facilities, and U.S. workforce. Approximately 75 percent of the company's U.S. employees work in Texas.

Shareholders are expected to vote on Exxon's redomicile at the company's annual meeting on May 27.

## U.S. natural gas production set a new record in 2025, driven by output growth in the Permian

In 2025, U.S. marketed natural gas production reached a record-breaking average of 118.5 billion cubic feet per day (Bcf/d), jumping 5.3 Bcf/d from the previous year, the U.S. Energy Information Administration (EIA) reported recently.



A 60 percent increase in Henry Hub spot prices, averaging \$3.52 per million British thermal units (MMBtu) in 2025, served as a major catalyst for regional expansion. The Appalachia region remained the nation's top natural gas producer, contributing 31 percent of the total output, said the EIA. Its growth was bolstered by the commencement of the Mountain Valley Pipeline, which alleviated long-standing takeaway capacity constraints.

Meanwhile, the Permian Basin accounted for roughly half of the national production growth, driven by "associated gas" from oil-directed drilling that remained profitable despite lower crude oil prices. "In 2025, marketed natural gas production in the Permian region rose by 11 percent, or 2.7 Bcf/d, to average 27.7 Bcf/d," the EIA noted.

In the Haynesville region, higher natural gas prices helped keep deep-well drilling economical for producers, encouraging more

drilling and production. Collectively, these developments underscore the U.S. energy sector's ability to scale production through infrastructure improvements and high-yield regional basins, even as market conditions for crude oil fluctuated.

The EIA is forecasting even higher natural gas production in the United States in 2026, with production growing by 2 percent from 2025 to average 121 Bcf/d this year. Production of natural gas in the United States then is projected to rise by an additional 3 percent in 2027 to reach 124 Bcf/d, estimates the EIA.

## In spite of record-shattering oil output, annual U.S. crude oil exports last year dropped 3 percent

In 2025, annual U.S. crude oil exports experienced their first decline since 2021, falling 3 percent from the previous year to an average of 4.0 million barrels per day (b/d), the U.S. Energy Information Administration (EIA) reported last week. This decrease occurred despite U.S. crude oil production reaching a record high of 13.6 million b/d in 2025.

The decline was largely driven by reduced demand from the top two regional destinations: Europe and the Asia and Oceania region. U.S. oil exports to Europe fell by 7 percent in 2025, a shift attributed to increased output from OPEC countries replacing U.S. volumes, said the EIA. The United Kingdom saw the most significant drop within Europe, with exports there falling by approximately 100,000 b/d, or about 35 percent. Still, despite the overall decline in exports, U.S. crude oil shipments to Europe remained above export volumes before the war in Ukraine, noted the EIA.

Meanwhile, U.S. crude oil exports to Asia and Oceania were also impacted last year by dramatic reductions in shipments to Singapore (down 75 percent) and China (down 89 percent). China, which was the second-largest destination for U.S. crude in 2023, has seen a drop in U.S. oil imports over the last two years.

Despite these declines, some areas showed resilience. The Netherlands increased its U.S. crude imports by about 80,000 b/d in 2025 compared to 2024. Similarly, in Asia, India and Japan increased imports of crude oil from the United States by about 90,000 b/d and 80,000 b/d, respectively. U.S. crude oil exports to Nigeria also increased, growing from about 40,000 b/d in 2024 to about 110,000 b/d in 2025.

## U.S. taps its emergency oil reserves in an effort to help bring down surging oil prices

U.S. President Donald Trump authorized the Department of Energy to release 172 million barrels from the Strategic Petroleum Reserve (SPR), beginning this week. "President Trump promised to protect America's energy security by managing the SPR responsibly and this action demonstrates his commitment to that promise. Unlike the previous administration, which left America's oil reserves drained and damaged, the United States has arranged to more than replace these strategic reserves with approximately 200 million barrels within the next year—20 percent more barrels than will be drawn down—and at no cost to the taxpayer," commented U.S. Secretary of Energy Chris Wright.

Following the onset of military action in Iran that led to Iranian intervention blocking oil tanker shipments in the Strait of Hormuz, sending crude prices to four-year highs, the Trump Administration initially ruled out utilizing America's SPR to ease pressures on oil commodity prices. But as the war with Iran enters its third week, U.S. leadership agreed to work with members of the International Energy Agency (IEA) to release oil supplies from strategic reserves as a coordinated effort to ease the strains in the market caused by the Iran war.

As of early March, the SPR held more than 415 million barrels, up from about 395 million barrels at this time in 2025, according to the U.S. Energy Department. The total capacity of the SPR reserves is approximately 700 million barrels.

## Dozens of countries agree to release 400 million oil barrels from reserves to stabilize markets

The 32 member countries of the International Energy Agency (IEA) unanimously agreed on Wednesday, March 11<sup>th</sup> to release 400 million barrels of oil from emergency reserves to help address disruptions in oil markets stemming from the recent war in Iran and the blockade by Iran that has impeded oil flows through the Strait of Hormuz. It is the largest ever oil stock release to be made by the IEA, which was created in 1974.

"The oil market challenges we are facing are unprecedented in scale, therefore I am very glad that IEA member countries have responded with an emergency collective action of unprecedented size," commented IEA Executive Director Fatih Birol. "Oil markets are global so the response to major disruptions needs to be global too."

## U.S. authorizes immediate 13 percent increase in exports at Plaquemines LNG terminal

U.S. Secretary of Energy Chris Wright on Friday authorized an immediate 13 percent increase in exports from Venture Global's Plaquemines liquefied natural gas (LNG) terminal in Louisiana. The [order](#) allows the facility to send an additional 0.45 billion cubic feet per day (Bcf/d) of U.S. natural gas as LNG to countries without a free trade agreement (non-FTA), raising its total authorized export capacity to 3.85 Bcf/d to distribute LNG to both FTA and non-FTA countries.

Officials from the Department of Energy described this move as a strategic response to the escalating conflict in the Middle East, specifically the disruption of global energy flows through the Strait of Hormuz. By approving additional volumes of LNG from an existing, operational facility, the Department of Energy aims to provide an immediate "strategic buffer" for global markets facing supply shortages, particularly following drone strikes on Qatari energy infrastructure earlier in the month.

"At a time when Iran and its terrorist proxies attempt to disrupt the global energy supply, the Trump Administration remains committed to strengthening American energy dominance," affirmed Secretary Wright. "Thanks to President Trump and American innovators, the U.S. is not only the largest producer and exporter of LNG but will more than double its LNG exports in the coming years. We will see meaningful additions to U.S. LNG export capacity at Plaquemines immediately and other facilities commencing operations in future weeks and months."

"Our mission to enable secure, reliable, and affordable energy has never been more important than now," added Kyle Haustveit, assistant secretary of the Energy Department's Hydrocarbons and Geothermal Energy Office. "I am pleased that Energy Department can take this action to be able to make an immediate difference to help add to global supplies of LNG."

## Lower than expected participation in recent offshore oil and gas lease sale in the Gulf of America

Earlier this month, the U.S. Department of Interior's Bureau of Ocean Energy Management (BOEM) held its second mandatory offshore oil and gas lease sale under the "One Big Beautiful Bill Act" (OBBBA). Known as Lease Sale Big Beautiful Gulf 2 (BBG2), the drilling auction offered approximately 15,000 unleased blocks across the Western, Central, and portions of the Eastern Gulf Planning Areas.

The sale generated almost \$47 million in high bids, a stark decrease compared to the \$300 million seen in the December 2025 Lease Sale BBG1 held by the BOEM. This time only 13 companies participated, submitting 38 bids—roughly half the number of companies and a fraction of the bids from the previous round.

Still, officials noted the importance of Lease Sale BBG2, which supports the president's energy agenda and executes Executive Order 14154, "Unleashing American Energy," that outlines President Trump's commitment to expanding offshore oil and gas development in order to strengthen national energy security, lower energy costs and increase economic competitiveness.

"By advancing responsible offshore development, we're ensuring that the United States remains a global energy leader and that American families benefit from reliable, affordable energy for years to come," U.S. Secretary of the Interior Doug Burgum said.

"Lease Sale BBG2 represents a significant advancement in BOEM's offshore oil and gas program in the Gulf of America," added BOEM Acting Director Matt Giacona. "Following the substantial industry interest in Lease Sale BBG1, this proposed sale is intended to sustain investment in the U.S. Outer Continental Shelf and bolster American energy independence."

According to the Department of Interior, in Fiscal Year 2025, oil production on the Outer Continental Shelf made up 677.2 million barrels, representing 14 percent of all domestic production. This equates to an average of approximately 1.86 million barrels of oil per day of production. Offshore development plays a key role in supporting high-paying jobs, local economies, and long-term domestic energy supply. Offshore energy development also fuels long-term economic growth by supporting infrastructure, education, and public services. It advances U.S. energy independence, a cornerstone of economic strength, national security, and global stability. By continuing to expand offshore capabilities, the United States reduces reliance on unstable foreign producers, ensures affordable energy for consumers, and reinforces its role as a global energy leader. "Lease Sale BBG2 signifies a shift to an active offshore energy strategy, emphasizing energy security, economic development, and careful management of resources," said leaders of the Department of Interior.

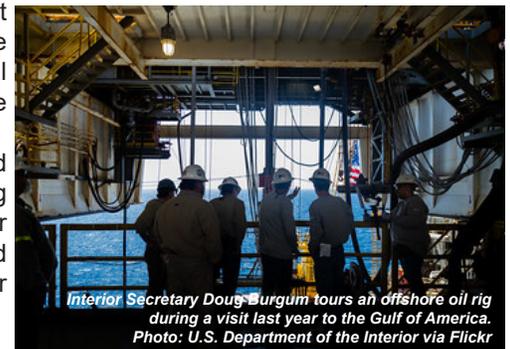
The next offshore oil and gas lease sale under the One Big Beautiful Bill Act, being called Lease Sale Big Beautiful Gulf 3, or BBG3, has been scheduled to take place on August 12, 2026. Lease Sale BBG3 proposes to offer approximately 15,066 unleased blocks covering 80.4 million acres on the U.S. Outer Continental Shelf in the Gulf of America. The blocks are located 3 to 231 miles offshore and span water depths from 9 feet to more than 11,100 feet.

## Interior Department takes action to cut more red tape for the U.S. offshore oil and gas industry

The Trump Administration in March proposed updates to regulations for the U.S. offshore oil and gas industry, in a move expected to free up billions of dollars for investment, exploration, production and job growth. The U.S. Department of Interior said on March 5<sup>th</sup> it is seeking to roll back requirements from a 2024 rule that forced companies to set aside about \$6.9 billion in supplemental financial assurance. Roughly \$6 billion of that burden would have fallen on small businesses, which make up most of the operators on the Outer Continental Shelf, according to the Department of Interior. The regulatory change is estimated to save the industry about \$484 million each year in compliance costs.

"For too long, Washington red tape has strangled American energy producers and held back small businesses," said Interior Secretary Doug Burgum. "President Trump is delivering on his promise to put American workers first, cut burdensome regulations and unleash our vast energy potential. These updates will free up billions of dollars for exploration and development, create good-paying jobs and unlock domestic energy production so we are never forced to rely on foreign adversaries for the resources that power our economy."

Members of TIPRO can find more information by going to <https://tinyurl.com/9ywksmtv>.



Interior Secretary Doug Burgum tours an offshore oil rig during a visit last year to the Gulf of America. Photo: U.S. Department of the Interior via Flickr

## TIPRO's new 'State of Energy' Report... continued from Page 1

Geopolitical tensions around the world continued to be a prevalent issue with conflicts in the Middle East and Ukraine fostering uncertainty and volatility across global energy markets. In 2025, Europe accounted for approximately 50 percent of total U.S. liquified natural gas exports, while 38 percent of U.S. LNG went to Asia and 12 percent was sent to Latin America and other regions. Overall, U.S. LNG exports for the year reached 89.1 million metric tons, a slight increase from 88.3 million metric tons in 2024.

American LNG, driven in large part by Texas natural gas production, continues to be an essential resource for our allies, as nations work to meet heightened energy demand while shifting away from their dependence on Russian energy supplies. In 2026, LNG exports are expected to average 14.5 billion cubic feet per day, an increase from the previous year. With President Trump's reversal of the Biden Administration's pause on permits for LNG export terminals, the U.S. oil and gas industry can resume its role as a reliable trade partner to our nation's allies. TIPRO remains optimistic about the Trump-Vance Administration and the continued support of U.S. energy. The growth of domestic natural gas markets is closely reflected in increased U.S. LNG exports as well. The capacity to export LNG competitively on the global markets hinges upon the ability to maintain and grow production of natural gas domestically.

"TIPRO will continue to advocate for policies at all levels of government to strengthen the U.S. oil and natural gas industry, ensuring Texas remains the nation's leading producer while supporting jobs, economic growth, energy security, and reliable, affordable energy for consumers and industry," said Longanecker.

A core priority is comprehensive permitting reform. TIPRO supports streamlining and expediting federal, state, and local permitting processes for exploration, production, infrastructure, pipelines, and LNG export facilities. Current delays, overlapping reviews, and lengthy timelines increase costs, discourage investment, and hinder timely development. TIPRO encourages decisive action to establish clear deadlines, eliminate unnecessary redundancy, and provide regulatory certainty for operators while preserving strong safety and environmental protections.

Additionally, Texas is experiencing a significant increase in electricity demand due to a surge in population and emerging industries such as data centers and artificial intelligence. By 2030, ERCOT anticipates that peak load could reach about 152 GW, almost doubling its historic record, posing both challenges and opportunities for the grid's future stability and growth. Experts predict that ERCOT will continue to rely on natural gas' share of electricity generation for load growth, accounting for approximately 30.3 percent of the grid's total generation in 2025 and 33.9 percent of generation by 2030.

Given the U.S. power sector's sustained reliance on natural gas for electricity generation, the occurrence of occasional severe weather events that require dispatchable generation, and the electrification of our economy, natural gas is set to remain a critical energy resource for the power sector in the coming year, reinforced TIPRO.

What does Oil & Gas mean for Texas?

- Texas led the nation in oil and gas jobs with 476,777 people employed in this industry. 23 percent of all oil and gas jobs nationwide were located in Texas last year.
- When incorporating direct, indirect, and induced multipliers for oil and gas employment, the industry supported a total of 2,509,121 jobs in Texas last year.
- Texas was the leading state by employment in 16 out of the 19 sectors used to define the oil and natural gas industry in 2025.
- Oil and gas jobs in Texas paid an annual average wage of \$133,439, 74 percent more than all average private sector jobs in the state. -The highest average industry wages were in Alaska last year (\$150,986). Iowa had the lowest average oil and gas wages in the country (\$36,192).
- Texas had the highest oil and gas payroll in the country in 2025 (\$64 billion), with California coming in at a distant second (\$15 billion), followed by Louisiana (\$10 billion).
- Texas had the highest number of oil and gas businesses in the nation last year with 23,483, followed by California (9,593), Florida (7,728), Georgia (6,494) and Pennsylvania (5,737).
- Oil production in Texas reached a new record of nearly 2.1 billion barrels in 2025. New Mexico had the second highest oil production with 797 million barrels, followed by North Dakota with 426 million barrels produced, subject to revisions.
- Texas led the country in natural gas production with a record 13.5 Tcf produced in 2025, followed by Pennsylvania with 7.8 Tcf.
- Texas had the highest rig count in the country in 2025 with an average of 272 active rigs. The number of rigs in Texas decreased from 277 in January to 253 in December. New Mexico had the second highest average rig count (98) in the country last year.
- In 2025, direct Gross Regional Product for the Texas oil and natural gas industry was \$385 billion. Using the typical multiplier effect of 2.5, the Texas oil and natural gas industry supported 36 percent of the Texas economy.
- The Texas oil and natural gas industry purchased U.S. goods and services in the amount of \$263 billion, 81 percent of which came from Texas businesses.
- The Texas oil and natural gas industry paid \$27 billion in state and local taxes and state royalties in Fiscal Year 2025.
- Texas oil and natural gas operators paid over \$8 billion in severance taxes in 2025.

Visit <https://tipro.org/2026-state-of-energy/> to view TIPRO's new "State of Energy Report."

## TCEQ expert joins EPA Clean Air Scientific Advisory Committee

Dr. Sabine Lange, chief toxicologist for the Texas Commission on Environmental Quality (TCEQ), recently was selected to join the U.S. Environmental Protection Agency's (EPA) [Clean Air Scientific Advisory Committee \(CASAC\)](#), a panel of well-qualified experts from a broad range of scientific disciplines who provide Gold Standard scientific advice to EPA leadership as they advance the agency's core mission. The CASAC also notably provides independent advice to the EPA administrator on the technical bases for EPA's National Ambient Air Quality Standards.

Dr. Lange is among six new members who have been appointed to the committee, which has been reconstituted by the Trump Administration.

LAST CHANCE



# Register for TIPRO's Annual Convention and 80<sup>th</sup> Anniversary Celebration

MARCH 30-31, 2026 | HOTEL ZAZA - HOUSTON MUSEUM DISTRICT

*Gain valuable insights, engage with industry leaders and celebrate a legacy of discovery, innovation and endurance for the Texas oil and natural gas industry at TIPRO's upcoming convention at Hotel ZaZa in Houston!*

TIPRO presenters include:



**Scott Sheffield**  
Formerly Pioneer Natural Resources



**Bruce Niemeyer**  
Chevron



**Greg Abbott**  
Governor of Texas



**Bryan Sheffield**  
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