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**Independent
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Association**

USFWS PROPOSES LESSER PRAIRIE CHICKEN AS THREATENED SPECIES

On Friday, November 30, 2012, the U.S. Fish & Wildlife Service (USFWS) unveiled plans to consider the lesser prairie chicken as a threatened species, under the Endangered Species Act (ESA). The lesser prairie-chicken (*Tympanuchus pallidicinctus*) is a type of prairie grouse known for its feathered feet and stout build, and has a habitat range that spans across five different states, including a significant portion of the Texas Panhandle, Oklahoma, Kansas, Colorado and New Mexico.

According to the USFWS, the primary factors supporting the proposed threatened status for the bird include historical, ongoing, and probable future impacts of cumulative habitat loss and fragmentation, which result from the conversion of grasslands to agricultural uses, the encroachment of invasive woody plants, wind energy development, petroleum production and the presence of roads and manmade vertical structures in the regions, such as towers, utility lines, fences, turbines, wells, and buildings.

The federal agency will have to make a final determination on the lesser prairie chicken by December 11, 2013. Under the ESA, the Service will have to use the best scientific and commercial data available to make their decision, although often times there is little-to-no verified population and habitat data available for species under review. However, as seen in the case of the dunes sagebrush lizard, additional studies and analysis can prove a species is not in pressing danger of extinction, despite its proposal for protection.

Nonetheless, private companies and landowners have already begun to enroll in voluntary conservation programs within the range of the bird in efforts to protect the bird and its native grasses which make up its habitat. These efforts will continue to be implemented in the months to come.

"We are encouraged by current multi-state efforts to conserve the lesser prairie-chicken and its habitat, but more work needs to be done to reverse its decline," said Dan Ashe, director of USFWS. "Similar to what state and federal partners in this region accomplished when the dunes sagebrush lizard was proposed, we must re-double our important work to identify solutions that provide for the long-term conservation of the species and also help working families remain on the land they have stewarded for generations."

However, should the lesser prairie chicken be formally listed as threatened under the ESA, the resulting regulations would severely restrict the ability to explore for or produce oil and natural gas in the region where the bird resides, adversely affecting the oil and gas industry, as well as ranching, transportation, energy transmission and construction.

The USFWS is now seeking to receive comments and information from the public, governmental agencies, the scientific community, industry or any other interested parties regarding the proposed listing. Comments must be received before March 11, 2013, to be considered. The USFWS will also conduct four public hearings to gather input on the proposed listing. The hearing in Texas will be held in Lubbock on Monday, February 11, 2013, from 6:30 p.m. to 8:30 p.m. at the Lubbock Civic Center.



Photo courtesy of USFWS

TIPRO MEMBERS INVITED TO PARTICIPATE IN 2013 TEXAS TOP PRODUCERS COMMITTEE



In preparation for the 2013 Texas Top Producers awards program, the Texas Independent Producers & Royalty Owners Association (TIPRO) invites members of the association to participate in the newly-formed Texas Top Producers Committee.

One of the first of its kind, the annual Texas Top Producers award recognizes the best in the business, celebrating the achievements of the top professionals in the oil and gas industry.

TIPRO needs the help of at least 8-10 professionals with expertise in engineering, geosciences, land management and business to help establish the criteria for next year's award program, and to review candidates so as to determine final nominees.

To learn more, or if interested in participating in the committee, please contact TIPRO's Director of Development Stephen Coffman at (512) 477-4452 or email scoffman@tipro.org.

PRESIDENT'S MESSAGE

TIPRO Members -

As the year winds to a close, our industry continues to fight a number of pressing battles. Perhaps one of the most significant obstacles we are facing is the public's perception of oil and gas operations. Each day, headlines making the news scream with falsehoods on hydraulic fracturing, and do not accurately portray the extensive measures taken by oil and gas producers to protect the safety of workers, residents of local communities, and the environment.

Case in point, at the end of this year Hollywood will release a new feature film titled "Promised Land," which focuses on the economic and environmental impact of hydraulic fracturing on small towns. The movie stars actors Matt Damon and John Krasinski, and already is drawing public attention. Appearing in movie theaters across the nation, this film will further attempt to harm our industry by misleading the general public on the realities associated with hydraulic fracturing operations. Further, the film was in part financed by a subsidiary of the United Arab Emirates, a member of the Organization of Petroleum Exporting Countries (OPEC). The UAE has a direct financial interest in dampening oil and gas production in the U.S. and was clearly the key motivator in supporting production of this film, although they deny the claim.

This movie comes in addition to the nearly 200 celebrities that constantly speak out on an issue to which they have no qualifications to discuss. Stars like Alec Baldwin, Mark Ruffalo, Lady Gaga and Yoko Ono often use their popularity to spread fear on the practice of hydraulic fracturing, claiming that it will contaminate our groundwater and is a serious danger to communities' air and water supply, destroying our environment. However, with scientific data as proof, these claims made by celebrities are far from the truth and only deceive the American people.

As a result, now more than ever, must we band together to spread the facts on hydraulic fracturing and domestic exploration and production. We need for the general public, in addition to our local leaders and elected officials, to appreciate the value of drilling for oil and natural gas in America and the positive benefits that can result. The oil and gas industry is one of the few that has potential to further spur economic growth and job creation, particularly during these tough economic times. Nowhere else is this exemplified more than right here in the Lone Star State, where increased activity in South Texas' Eagle Ford Shale and the Permian Basin has provided a burst of economic growth. In 2011 alone, nearly 47,000 full-time jobs were supported in the Eagle Ford Shale, with more than \$3.1 billion paid to workers in salaries and benefits, according to The University of Texas at San Antonio. On average, workers are currently paid an average of \$35.15 per hour - higher than the wages in the general economy (\$23.07 per hour) and more than wages paid in manufacturing, wholesale trade and education, among other sectors. Additionally, thanks to development in the Eagle Ford, over \$25 billion was supplied in total economic output, and \$358 million paid by the oil and gas industry to the state government, including \$120.4 million in severance taxes. All of this money in turn has helped to fund public schools, hospitals and vital emergency services. Meanwhile, in the Permian Basin, the unemployment rate is one of the lowest in the entire nation thanks to the oil and gas industry, with the median household income far greater than average. Increased development of natural resources also enhances our energy independence, and lessens the need for foreign imports of crude oil.

At this time, education on hydraulic fracturing and the oil and gas industry remains paramount. Have no doubt that TIPRO will continue to do its part, working to promote the oil and gas industry and spread awareness. As one of the largest state associations representing independent producers and royalty owners, we are proud to advocate on behalf of the industry to preserve the ability to explore for and produce oil and natural gas in America, so as to ensure a bright future for the state of Texas and the United States.

I wish you and your families all a very safe and happy holidays!

Sincerely,




Ed Longanecker

The TIPRO office will be closed December 24 through January 1 for the holidays. Normal office hours will resume on Wednesday, January 2. Watch for the next edition of *The TIPRO Target* newsletter on Friday, January 4, 2013.

Calendar of Events

JANUARY 9, 2013	FEBRUARY 5-8, 2013	FEBRUARY 13, 2013	FEBRUARY 26-27, 2013
HOUSTON IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.	HOUSTON Winter NAPE Expo, George R. Brown Convention Center For info, call: (817) 847-7700.	HOUSTON IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.	AUSTIN TIPRO S 67 TH Annual Convention, Sheraton Hotel Downtown. For info, call: (512) 477-4452.

UPDATE: New NSPS Notification Form Available for Operators

The Texas Commission on Environmental Quality (TCEQ) will now offer operators a simplified process for reporting the completion of hydraulically fractured wells, as required by the U.S. Environmental Protection Agency (EPA). As of October 2012, according to the federal agency's New Source Performance Standards (NSPS), subpart OOOO, regulations, oil and gas operators are required to provide advance notice of all completions of hydraulically fractured wells, 48 hours before completion occurs. The TCEQ has been appointed as the delegated authority for this rule in the state of Texas.

The new notification form is a reduced, interactive PDF that can be submitted directly to the TCEQ via e-mail. An automatic e-mail response will confirm when the agency has received the form, and will provide operators with a copy of the submitted form for record-keeping purposes.

Companies will also still have the option to submit notification of completion through the State of Texas Environmental Electronic Reporting System (STEERS). In the event that for some reason STEERS or the e-mail system is temporarily unavailable, operators may fax the form to (512) 239-2101 or mail to the TCEQ Regional Office that serves the county in which the site is located.

For questions regarding the notification form or requirements of this federal rule, email AirOG@tceq.texas.gov, or call the Rule Registrations department at (512) 239-1250. Additional information can also be found online at: www.TexasOilandGasHelp.org.

REP. DAVID SIMPSON TO CHALLENGE JOE STRAUS FOR SPEAKER OF THE HOUSE SEAT

In the race for the next Speaker of the Texas House, state Rep. David Simpson, R-Longview, will challenge two-term incumbent Rep. Joe Straus, R-San Antonio, for the leadership role.

For months, Rep. Bryan Hughes, R-Mineola, had been the primary contender against Straus for House Speaker. However, Hughes has since bowed out of the race and has expressed his support for Rep. Simpson for the position.

"I wholeheartedly endorse my friend David Simpson for Speaker of the House," said Hughes in a statement. "David is uniquely qualified to lead the House at this pivotal time in our history. David Simpson has earned his reputation as an eminently fair, highly principled and hardworking legislator."

The election of Speaker of the House will take place on Tuesday, January 8, 2013, the first day of the 83rd Legislative Session.



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U.S. MONTHLY CRUDE PRODUCTION REACHES 15-YEAR HIGH

In September 2012, U.S. crude production averaged approximately 6.5 million barrels of oil per day (bopd), reaching the highest volume of domestic production that has been seen in nearly 15 years, reported the U.S. Energy Information Administration (EIA). Not since January 1998 has the U.S. produced oil at a level equal to 6.5 million bopd. In fact, much of the growth in production stems from recent advancements in technology, including hydraulic fracturing and horizontal drilling techniques, which has allowed operators access to shale and other tight oil formations unlike ever before. Over just the last year, since September 2011, U.S. production increased by more than 900,000 bopd, a tremendous growth as compared to years prior.

As the leading producer of oil and natural gas in the nation, Texas has made significant contributions to this increase in domestic oil production. From September 2011 to September 2012, oil production in Texas increased by more than 500,000 bopd, according to the EIA. Much of this is due to the ongoing development of the Eagle Ford Shale in South Texas as well as the oil fields in the Permian Basin.

Like Texas, North Dakota also has increased oil production output thanks to the surge of drilling in the Bakken formation, which is part of the Williston Basin. Between September 2011 and September 2012, production of oil in North Dakota grew by more than 250,000 bopd, noted the EIA.

Collectively, the recent surge in domestic exploration and production of oil and natural gas has helped further reduce the need for imported petroleum from OPEC and other foreign nations. Already this year, reliance on imported crude oil dropped to 42 percent, the lowest level experienced in two decades. Just seven years ago, in 2005, the U.S. relied on imports for approximately 60 percent of its petroleum consumption. With more production of oil from shale formations in America, in addition to transitioning demand to natural gas, the U.S. will be able to enhance national security by lessening dependence of imported crude from foreign countries.

BILLIONS TO BE INVESTED IN DEVELOPMENT OF THE EAGLE FORD SHALE IN 2013

Already throughout 2012, there has been a rapid surge in the development of the Eagle Ford Shale formation in South Texas, with no signs of activity slowing down any time soon. Significant growth in exploration and production from the Eagle Ford will continue during 2013, with more than \$28 billion spent in capital expenditures over the next year, according to a new analysis by Wood Mackenzie.

"With US \$28 billion in capex being spent in 2013 and development now in full swing, the excitement in the Eagle Ford Shale and value being extracted from the play continues to exceed expectations," explained Callan McMahon, upstream research analyst for Wood Mackenzie. "In terms of overall investment, from 2012 through 2015, Wood Mackenzie expects capital expenditure in the Eagle Ford to surpass the projected capex of the entire Kashagan project in Kazakhstan, the world's most expensive standalone energy project."

Specifically, experts predict that a majority of the investments will center around activity in Gonzales, Karnes and DeWitt counties, which is referred to as the sweet spot of the formation. The capital expenditures made in the year ahead will help to support drilling and hydraulic fracturing operations in the Eagle Ford, as well as the building of additional pipelines and coastal refineries.

Analysts have already labeled the Eagle Ford Shale as one of the top producing shales in North America. Those operators that hold premium acreage and are well-positioned in the play will continue to see impressive investment returns.

"This is apparent in the massive amount of capital being deployed in the play, come 2013 the area will represent 27 percent of the total capital expenditure of the onshore Lower 48 total," concluded McMahon.

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BUDDY GARCIA RESIGNS AS INTERIM RRC COMMISSIONER; CRADDICK APPOINTED TO SEAT

In a letter addressed to Texas Gov. Rick Perry, Buddy Garcia formally announced his resignation as interim Commissioner of the Texas Railroad Commission (RRC), effective Friday, December 7, 2012. Commissioner Garcia was temporarily appointed to serve at the RRC by Gov. Perry in April 2012, replacing former Commissioner Elizabeth Ames Jones who had resigned to pursue a contested seat in the Texas State Senate.

"It has been my privilege to serve the State of Texas for the last 22 years, and an honor words cannot describe to have been given the opportunity to pursue my dream as a public servant," said Commissioner Garcia. "I appreciate Gov. Perry's continued confidence in my judgment to have appointed me to such crucial and relevant regulatory roles. It has been a pleasure to work most recently with Chairman Smitherman, Commissioner Porter, and all the incredibly talented RRC employees dedicated to protecting Texas. I congratulate Commissioner-elect Christi Craddick and offer her and the RRC my best wishes."

As a result, Gov. Perry has appointed Commissioner-elect Christi Craddick to fill the open seat at the state agency, effective Monday, December 17, 2012. A native of Midland, Texas, Craddick won the general election for the position on November 6, 2012. She is an attorney in private practice and small business owner. Craddick is a member of the State Bar of Texas and Travis County Bar Association, and a past board member of Texas Lyceum. She received a bachelor's degree and a law degree from The University of Texas at Austin.

"I am humbled and honored by the trust the people of Texas and Gov. Perry have placed in me to serve Texas on the RRC," said Craddick. "I am eager to get to work ensuring the Texas energy industry continues to be a job creator and growing our Texas economy. I am ready to get to work for the people of Texas."

Commissioner Craddick will serve the appointed term through the end of 2012, and then will begin serving a six-year term as an elected RRC Commissioner beginning January 1, 2013.

"TIPRO congratulates Commissioner Craddick on her appointment today," said Ed Longanecker, president of the Texas Independent and Royalty Owners Association (TIPRO). "The RRC has effectively regulated the oil and gas industry since 1919. With the agency's guidance and oversight, Texas will continue to lead the nation in oil and gas development. We look forward to working closely with Commissioner Craddick in the future to ensure fair regulation and continued success of the oil and gas industry in Texas."

BRANDON HARRIS APPOINTED AS CHIEF INFORMATION OFFICER OF THE RRC

The Texas Railroad Commission's (RRC) has selected Brandon Harris as the new Chief Information Officer responsible for overseeing the agency's Information Technology Division. In the role, Harris will help manage the Commission's ongoing efforts to utilize updated information technology in order to enhance the agency's regulatory functions, including moving all of the Commission regulatory forms online. In doing so, there will be less reliance on paper mailings and reduced need for manual data entry, which can delay the permitting process.

"With his scientific background as well as expertise as the former information resources director at our sister environmental agency, Brandon will help guide us in our ongoing efforts to enhance our IT systems," said RRC Chairman Barry Smitherman.

Previously Harris was director of the Information Resources Division at the Texas Commission of Environmental Quality (TCEQ). Before becoming director, he managed strategic planning at the TCEQ, and since 1999, helped assist the TCEQ with environmental-specific IT programs relating to air and water quality. Harris began his career with the Louisiana Department of Environmental Quality and the Louisiana Department of Natural Resources. He is a graduate of Southeastern Louisiana University, holding a B.S. degree in Biological Sciences.

RRC Commissioner David Porter added, "One of my major goals as Commissioner has been to update our technology and software to assist our staff in more effectively overseeing our Texas operators, and I'm glad Brandon is on-board."

RRC ADOPTS RULE AMENDMENTS TO FACILITATE INCREASED USE OF NGVs

During an open conference held December, 4, 2012, the Texas Railroad Commission (RRC) adopted amendments to Rule 13.185 of the Texas Administrative Code to facilitate the installation of residential natural gas refueling units inside a garage or building. This policy change removes unnecessary regulatory hurdles and strives to increase the public's use of Natural Gas Vehicles (NGVs) in the future.

Previously under Texas law, compressed natural gas (CNG) refueling units were prohibited inside Texas homes, and were required to be located and operated outdoors. However, with the advancement of technology and development of new fire codes over the last couple of years, refueling units can be safely installed inside homes and garages.

"Thanks to technological advancements like hydraulic fracturing, our state and nation are enjoying an abundance of inexpensive natural gas," said RRC Chairman Barry Smitherman. "In fact, Texas is experiencing an unprecedented rate of natural gas production at some 7.2 trillion cubic feet (tcf) a year. This domestic natural resource will make it easier for Texans to use natural gas as a transportation fuel and will help move us closer to energy independence as a nation."

TOP TEXAS OIL AND GAS INDUSTRY STORIES OF THE YEAR

As the end of the year approaches, TIPRO takes a look back at the top issues impacting the Texas oil and gas industry in 2012.

o **Texas production of oil and natural gas surges, thanks to advancing technology:**

Recent advancements in technology, coupled growing use of hydraulic fracturing and horizontal drilling, has allowed producers the ability to access geologic formations unlike ever before, supporting a dramatic increase in exploration and production throughout America. In Texas, production of oil and gas grew tremendously during 2012, especially in the Eagle Ford Shale and the Permian Basin.

In the Eagle Ford, an estimated 4,300 drilling permits were issued by the Texas Railroad Commission (RRC) during 2012. Between January and August, more than 297,000 barrels of oil were produced per day (bopd) in the region, as compared to 119,353 bopd in 2011. Comparably, 67,000 bopd of liquid condensate were produced in 2012, in addition to 880 million cubic feet per day of natural gas (MMcf). Many experts and analysts have already labeled South Texas' Eagle Ford Shale as one of the most significant opportunities for unconventional drilling in North America, if not the whole world.

By all accounts, these figures are expected to continue to dramatically increase in the months and years ahead, with ongoing growth in oil and gas production output in Texas.

o **Jobs, Jobs, Jobs: Unemployment rate remains low in Texas, thanks to the development of oil and gas:**

Although the national unemployment rate continues to be stagnant at 7.9 percent, communities located in and around oil and gas development boast of significantly lower unemployment rates. Midland and Odessa continue to have the lowest unemployment rates in Texas, if not the entire nation. Thanks to surge in drilling of shale formations, the oil and gas industry is now able to support more than 350,000 jobs in the Lone Star State. Most of these jobs are high-quality and high-paying, given the technologically innovative nature of unconventional oil and gas activity.

Altogether, Texas unemployment has been at or below the national rate for 70 consecutive months, according the State Comptroller. Nationally, through November 2012, only 52 percent of recession-hit jobs had been recovered, while in Texas, by December 2011 employers had replaced all 427,600 jobs previously lost. Along with positive job creation in the energy sector, other industries such as transportation, utilities, construction, manufacturing and business services also continue to look to hire more workers.

"Employers know that Texas continues to be a beacon for job creation in the U.S. thanks to the conservative fiscal policies that have helped strengthen our economy, like our low taxes, reasonable and predictable regulations, and fair courts, and the steps we've taken to promote a skilled workforce," said Texas Governor Rick Perry. "We will continue to focus on these principles to keep this momentum moving forward and keep our economy a national example for competitiveness and job growth."



o **Water, roads and infrastructure development remain top concern in Texas:**

Due to the state's growing population, along with extreme drought conditions experienced in Texas in recent years, water levels in the state continue to decline drastically. As a result, many lawmakers are redoubling their efforts to generate funding for the State Water Plan, which outlines water infrastructure projects aimed toward maintaining adequate Texas water supplies for generations to come. Although all water used by Texas oil and gas industry collectively represents less than 1 percent of the state's water use, according to the Texas Water Development Board (TWDB), producers remain mindful of community water needs, and continue efforts to reduce water usage and recycle water, whenever possible. Technological advancements and new innovations have already greatly helped the industry to reduce the amount of water required for drilling operations.

In addition, increased drilling activity has produced a boom in economic development at levels which some areas of the state have not historically experienced. The transportation infrastructure in many such areas was not built to withstand the level of increased travel that they are now experiencing as a result of shale booms. The repair and reconstruction of Texas roadways is a top priority for residents of the counties that are affected most by oil and gas development, as well as for the producers who operate there. Texas legislators, industry representatives, county officials and TxDot all continue to seek new solutions to ensure safe and reliable roads for Texans while continuing to foster the economic activity that the comes with oil and natural gas development.

Moreover, with the surge in production of oil and natural gas in Texas, the development of additional infrastructure is necessary to support the rising demand. Already companies are taking action to build infrastructure where it is needed most, more will be needed to assist industry efforts in the future.

Story continued on page 7...

TOP TEXAS OIL AND GAS INDUSTRY STORIES OF THE YEAR... CONTINUED FROM PAGE 6

...TIPRO takes a look back at the top issues impacting the Texas oil and gas industry in 2012.

o 2012 Election to have significant impact on Texas oil and gas industry in the years ahead:

With the outcome of the 2012 General Election known, one thing is clear: the oil and gas industry will continue to face a number of regulatory challenges in the years to come, with sweeping policy changes for energy development possibly in store. Following a difficult, highly contested battle, Democrat Barack Obama was re-elected to serve another four-year term as President of the United States, defeating Republican opponent Mitt Romney. The President's Administration is now expected to continue to make a push to eliminate critical oil and gas tax provisions, which encourage participation in high-risk ventures like American oil and gas exploration and are critical for independent producers, many of whom are TIPRO members. Under the President's direction, federal agencies like the U.S. Environmental Protection Agency (EPA), U.S. Fish & Wildlife Service (USFWS) and U.S. Department of Interior (DOI), will also likely move ahead with efforts to impose new restrictions on hydraulic fracturing operations in America, which could threaten the positive growth in industry activity.

Meanwhile, in Texas, 43 new state representatives and five new state senators were elected in the 2012 General Election, meaning a number of new officials who are unfamiliar with oil and gas operations will take office in January 2013.

Texans also voted on two open seats at the Texas Railroad Commission (RRC), the state agency responsible for overseeing industry activity in the Lone Star State. Current RRC Chairman Barry Smitherman won by 74 percent, while Christi Craddick secured more than 56 percent of the vote to defeat Democratic opponent Dale Henry.

o IDCs, other industry tax provisions remain under attack:

As the nation's lawmakers continued to struggle with ways to raise revenue for the government, elimination of critical tax provisions like Intangible Drilling Costs (IDCs) and Percentage Depletion deductions were up for discussion. However, many of the elected officials that called for the elimination of such provisions failed to recognize the important role that these tax credits provide, not to mention the long history they have played in encouraging domestic oil and gas development in the past. Most have been a part of the tax code for nearly a century, and are not fully available to large integrated companies. Rather, they help to financially assist America's smaller independent producers by reducing the inherent risks of the business. For instance, IDCs, which have been in existence since 1913, allow for the deduction of costs associated with exploration and production activities and non-salvageable equipment. If the IDC provision were to be eliminated, it would substantially reduce drilling budgets for independent producers, meaning less investment capital and consequently less American energy supplies. Ultimately, this would cause less job creation and a decline in economic support. Higher fuel costs would also result, affecting all Americans by increasing the cost of products made and the cost of products purchased.

o Federal government continues to propose severe, unnecessary regulations on oil and gas industry:

2012 proved to be a busy year for the federal government, as bureaucratic agencies continued to propose restrictive regulations on industry activity. The U.S. Environmental Protection Agency (EPA) finalized new air regulations for the oil and gas industry, which included the first federal air standards for natural gas wells that are hydraulically fractured, along with new requirements for several other sources of pollution in the oil and gas industry not previously regulated at the federal level.

The U.S. Department of Interior (DOI) also proposed new regulations that would expand its oversight of natural gas drilling on public lands. The drafted rules would require companies to publicly disclose the chemicals used in hydraulic fracturing operations on public and Indian lands. Additionally, the rules called for improving assurances on well-bore integrity to verify that fluids used in wells during fracturing operations are not escaping; and confirmation that oil and gas operators have a water management plan in place for handling fracturing fluids that flow back to the surface.

Meanwhile, in June 2012, the U.S. Fish and Wildlife Service (USFWS) elected not to list the dunes sagebrush lizard as a threatened or endangered species. The lizard, native to the American Southwest, is a small light brown spiny lizard that resides in the heart of the Permian Basin. Following extensive review and analysis of current and future threats, in addition to major conservation efforts, the USFWS found no significant danger to the lizard and determined that it does not need to be protected.

"By preventing this listing, our oil and gas producers, ranchers and land owners will be able to continue doing what they do best – providing the fuel and food this nation needs," commented U.S. Congressman Mike Conaway. "The decision announced by the USFWS will allow them to continue operations without interruption or delay. "The fight against an overreaching bureaucracy is not over – there are many more species in Texas still under review. While this decision was a victory, the people of the Permian Basin wasted far too many hours and resources to get to where we are today. I will continue to push to improve the ESA so that other communities across Texas and the country will not be forced to face the same uphill battle to that we did."

If the lizard would have been listed, the resulting regulatory protections would have severely hindered industry activity in and around its habitat. Considering the Permian Basin is responsible for production of over 1 million barrels of oil each day and accounts for 68 percent of Texas' total oil production, the impact of an endangerment listing would have been detrimental to the Texas oil and gas industry.

However, more than 100 other species in Texas will be up for review in the years to come, including the lesser prairie chicken, which was proposed for threatened status in December 2012.



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With more than 2,500 members, TIPRO is the nation's largest statewide association representing both independent producers and royalty owners. Our members include small family-owned companies, the largest publicly traded independents and large and small mineral estates and trusts.

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