



**Texas
Independent
Producers and
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Association**

TEXAS PRODUCTION COULD HELP REDUCE OIL IMPORTS TO ZERO BY 2037, PROJECTS FEDERAL AGENCY

As domestic production of oil and gas reaches record-breaking levels, one federal energy agency is now forecasting that the upward trend could allow the United States to ultimately stop importing crude oil from foreign nations. By the year 2037, oil imports could dwindle to zero, reports the U.S. Energy Information Administration (EIA), a branch of the U.S. Energy Department that collects

and analyzes energy data.

“This is the first time the Annual Energy Outlook has projected that net imports’ share of liquid fuels consumption could reach zero,” said EIA spokesman John Krohn in a statement for Bloomberg News.

The pace of oil-directed drilling has been much stronger than the agency originally anticipated a few years ago, notes the EIA, particularly as producers locate and target the sweet spots of plays and find additional tight formations that can be developed using the latest technologies. As a result, this year’s energy forecast is more positive than even one year ago.

Although the EIA’s outlook does offer other estimates regarding potential levels of U.S. output, this optimistic projection assumes that in the next few decades, U.S. oil production will top 13 million barrels per day, thanks to ongoing technological advancements and additional improvements to drilling. As new innovations continue to be developed, operators have become more efficient at recovering mineral resources locked away in unconventional shale formations. At the same time, these advancements have also helped to reduce the environmental impact of drilling for oil and gas.

In its latest report, the EIA specifically cites South Texas’ Eagle Ford Shale, along with North Dakota’s Bakken formation, for altering production trends and helping drive robust U.S. production of oil and gas.

The EIA does caution that tight oil development is still at an early stage, making it a challenge to fully determine how prominent a role national production will play in fully reducing the need for U.S. oil imports. Analysts must consider a number of factors, including total proved reserves, well productivity, creation of new technologies and market changes which could influence the price of oil and gas.

Still, there is no question that the rapid rise in domestic oil and gas production has helped enhance U.S. energy security and eased America’s reliance on petroleum imports from other nations. Already net oil imports have fallen to about 5 million barrels a day since peaking in 2006 at almost 13 million barrels per day.

CONGRESSMAN WARNS “THE EPA WOULD LOVE TO ELIMINATE FRACING”

Speaking in Midland on Tuesday, April 15, 2014, U.S. Congressman Mike Conaway cautioned residents of the Permian Basin on federal agencies like the U.S. Environmental Protection Agency (EPA). Although hydraulic fracturing and horizontal drilling have been credited with helping producers recover oil and natural gas from unconventional reservoirs, the congressman still forewarned the EPA is working to stop fracing through overly-burdensome regulatory constraints.

“Fossil fuels power almost everything we do,” said Congressman Conaway. He went on to highlight the fact that the nation’s domestic energy renaissance has occurred on private lands, not public lands which are managed by the federal government.

During his remarks, Congressman Conaway also discussed the importance of tax provisions for the oil and gas industry, such as intangible drilling costs and depletion allowances. He added that suggested changes to such tax treatments will eventually become part of a larger conversation regarding restructuring the overall tax code.



PRESIDENT'S MESSAGE

TIPRO Members -

Recently the United Nation's Intergovernmental Panel on Climate Change (IPCC) published its latest report, AR5, and noticeably removed some of the false alarmist claims found in previous installments. Not surprising, the usual suspects jumped at the opportunity to use this report to spread fear and misinformation to advance their flawed cause. This is yet another example of how some promote select, and often inaccurate, propaganda. Fortunately this tactic used to control the debate is becoming more difficult as scientific based evidence is now more prevalent in the discussions.

One previous claim that is now missing in the IPCC report is the forecast that the Himalayan glaciers would vanish by 2035 and that hurricanes are becoming more intense because of human induced global warming. This false declaration was made in 2007 by Dr. Rajendra K. Pachauri, chairman of the intergovernmental panel. This is the same scientist that said "asbestos is as good as talcum powder - and I hope they put it on their faces every day," - one of many disgusting comments directed at his so-called critics. None of this stopped Dr. Rajendra from using the most recent report as a platform to support his extremist projections.

The environmentalists continue to blame all naturally occurring storms and weather conditions worldwide on manmade climate change, aka global warming. When it's too warm or dry, it's climate change. When it's too cold and wet, it's climate change. While the literal explanation of "changes in the climate" is accurate, the cause is not related to human impact. This latest retraction, although buried in a myriad of additional claims, is a step in the right direction and should send a clear signal to policy makers that the trend of using false information by some will no longer be accepted. The center of gravity is shifting and the truth is starting to prevail.

Also absent are the claims made in 2005 that global warming would create 50 million "climate refugees" by 2010. The latest report replaces this outlandish claim used to instill an image of millions of displaced people from global warming with "current alarmist predictions of massive flows of so-called 'environmental refugees' or 'environmental migrants' are not supported by past experiences of responses to droughts and extreme weather events and predictions for future migration flows are tentative at best."

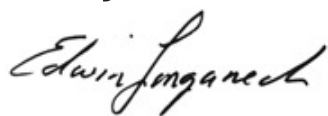
The report also now explains that the rate of warming between 1998 and 2012 "is smaller than the rate calculated since 1951." What's most interesting is that the report states "the innate behavior of the climate system imposes limits on the ability to predict its evolution." Was this an admission that their models are inherently flawed and most likely motivated by other factors? These contradictions and retractions directly discredit the further claims of the IPCC that "the science now shows with 95 percent certainty that human activity is the dominant cause of observed warming since the mid-20th century."

Significant research exists that effectively rebuts much of the false information used by environmentalists and the IPCC. The Nongovernmental International Panel on Climate Change, or NIPCC, for instance, recently published its report entitled "Climate Change Reconsidered II: Physical Science," which concludes that evidence now leans against global warming resulting of human-related greenhouse gas emissions. The 1,000 page NIPCC report, supported by more than 50 international scientists, accurately contradicts many of the previous claims made by the IPCC. Perhaps this group of experts is the remaining 5 percent gap for the IPCC to reach "100 percent" certainty. We all know the gap and evidence countering the IPCC claims is much more extensive.

Even some within the IPCC are no longer comfortable with supporting their tactics. As an example, a lead contributor to the IPCC project, and respected climate economist, Professor Richard Tol of Sussex University, refused to sign the most recent report because he considered it "too alarmist" in nature. He publicly stated that he felt uncomfortable with the way the summary of the report exaggerated the economic impact of global warming. In his view, the "sexed up" summary used "scare stories" and suggestions that the world faced "the four horseman of the apocalypse." He is now the subject of a smear campaign. If you recall, some had a similar reactions to the previous installment from the IPCC, including Dr. Richard Lindzen, a climate scientist from the Massachusetts Institute of Technology (MIT), who said "I think that the latest IPCC report has truly sunk to level of hilarious incoherence."

The negative reaction over the IPCC reporting within the scientific community is well-documented and may have added pressure for the government sponsored, and politically motivated, organization to remove some of the false claims and predictions. Despite the admission of several falsehoods, unfortunately a new level has now been established by the IPCC and its supporters.

Sincerely,




Ed Longanecker

TIPRO Calendar of Events

MAY 14, 2014	JUNE 11, 2014	JULY 9, 2014	AUGUST 7-9 2014
HOUSTON — IPAA/TIPRO	HOUSTON — IPAA/TIPRO	HOUSTON — IPAA/TIPRO	SAN ANTONIO — TIPRO's
Leaders in Industry	Leaders in Industry	Leaders in Industry	Summer Conference &
Luncheon, 11:30 a.m.	Luncheon, 11:30 a.m.	Luncheon, 11:30 a.m.	Golf Tournament
Houston Petroleum Club.	Houston Petroleum Club.	Houston Petroleum Club.	Hyatt Hill Country Resort.
For info, call: (832) 233-5502.	For info, call: (832) 233-5502.	For info, call: (832) 233-5502.	For info, call: (512) 477-4452.

COULD THE U.S. OIL EXPORT BAN HURT FUTURE DOMESTIC DRILLING EFFORTS?

It's a question many in the oil and gas industry are asking - what will be the long-term impact of the U.S. crude export ban? As the discussion continues amongst policymakers in Washington D.C. on whether to lift the ban, more and more oil and gas leaders have voiced their concerns on the restrictions, which were first implemented in the 1970s. Some CEOs have warned that the sharp and continuing production rise from prolific shale and unconventional basins could ultimately result in a more than \$30/barrel price differential for U.S. crudes to Brent. If that scenario were to come true, American producers might have less incentive to drill due to oversupply.

Meanwhile, if the ban were to be partially or completely removed, U.S. crude could be offered to the global market, generating additional trade opportunities for American businesses and companies. Consequently, additional access to foreign customers could drive significant investment in U.S. production, further positioning America to become one of the world's largest oil producers.

In fact, a recent study conducted by ICF International and EnSys Energy forecasts that if the current crude export ban were to be lifted:

- The cost of gasoline, heating oil and diesel fuel is projected to fall, saving American consumers up to \$5.8 billion per year, on average, between 2015 and 2035. Prices could decline as much as 3.8 cents per gallon in 2017, dropping as much as 2.3 cents per gallon, on average, from 2015 to 2035.
- The U.S. economy could gain up to 300,000 additional jobs in 2020.
- America's trade deficit could fall by \$22 billion in 2020.
- The economy could grow by as much as \$38 billion in 2020, with an average GDP increase of up to \$27 billion annually through 2035.
- U.S. federal, state, and local government revenues could rise by as much as \$13.5 billion in 2020.
- U.S. oil production could increase by as much as 500,000 barrels per day in 2020.
- Up to an additional \$70 billion is projected to be invested in U.S. exploration, development, and production between 2015 and 2020.
- U.S. refiners could process, on average, an additional 100,000 barrels of oil per day due to more efficient distribution of heavy and light crudes over the 2015 to 2035 period.

While the U.S. crude ban has been in place for over 40 years, refined products are allowed to be shipped out of the country. Still, with the American energy landscape rapidly changing, many are pushing for the ability to export crude oil. In doing so, they believe that it will allow the U.S. to further strengthen its position as a global energy superpower, along with providing new economic opportunities.

Accordingly, on Friday, April 11, 2014, U.S. Senators Mary Landrieu (D-La.) and Lisa Murkowski (R-Alaska) requested the U.S. Energy Information Administration (EIA) conduct a "dynamic and ongoing" analysis of issues related to lifting the country's ban on crude oil exports, so that the U.S. Senate Committee on Energy and Natural Resources may further consider the subject and review questions relevant to current crude export policies.

RRC COMMISSIONER MARKS ANNIVERSARY OF AGENCY'S WATER RECYCLING RULES

On Tuesday, April 15, 2014, Railroad Commissioner Christi Craddick recognized the success of the agency's recycling rules, which were updated one year ago to improve water conservation in the Lone Star State. The modified state regulations, which took effect last year on April 15, 2013, were unanimously approved by the three sitting commissioners, in efforts to encourage Texas operators to recycle more water, particularly during times of drought.

"With this rule, Texas was the first state in the nation to adopt comprehensive regulation of recycling fluids in oil and gas production," said Commissioner Craddick. "Industry advancements in recycling in the past year have proven this rule amendment to be a key piece in efforts toward water conservation in oil and gas production. We are excited that industry has used this groundbreaking rule amendment as an opportunity to accelerate the deployment of water recycling technologies in Texas ahead of other states."

She added, "Texas' technically driven oil and gas industry aided by the Railroad Commission's globally recognized model regulatory framework has created an ideal atmosphere for energy production. This atmosphere has allowed innovation in water conservation to thrive and helps maintain Texas' position as the nation's largest energy producer. Our state is fortunate, indeed, to have a vast wealth of natural resources in the form of water, and in the mineral riches that are found in our oil and gas fields. We have proven that we can enjoy the benefits of both."

The modified rules helped eliminate the need for a recycling permit by the RRC, if operators are recycling fluid on their own leases or transferring their fluids to another operator's lease for recycling. The rule changes also established a tiered approach for the reuse of treated fluid, including both authorized reuse of treated fluids in oil and gas operations and incorporated provisions for reusing the fluid for other non-oilfield related uses. Additionally, the regulatory modifications outlined requirements for applying for a recycling permit at the RRC.



U.S. SENATORS URGE PRESIDENT OBAMA TO APPROVE KEYSTONE XL PIPELINE

In a written letter sent to President Obama on April 10, 2014, nearly a dozen Senate Democrats pressed for approval of the Keystone XL pipeline, requesting a final decision be made by the end of next month.

“We are writing to request that you use your executive authority to implement an explicit timeline for Secretary of State John Kerry to make a national interest determination on the Keystone XL pipeline permit application,” read the letter. “This is a process that has now gone on well past five years, has involved two applications, five federal reviews, multiple open comment periods and numerous opportunities for consultation and comment at either public forums or at staff-level meetings. The Final Supplemental Environmental Impact Statement (SEIS), released by the State Department on January 31, 2014, was well over 2,000 pages and included an expanded analysis of potential oil releases; an expanded climate change analysis; an updated oil market analysis incorporating new economic modeling; an expanded analysis of rail transport; and additional analysis regarding alternative modes of transportation beyond rail.”

After exhaustive review, the final SEIS concluded that should the pipeline be built, it would have little impact on greenhouse gas emissions and climate change - one of the primary arguments used by environmentalists against the project. In their message to the president, the U.S. Senators also highlighted benefits generated from the construction of the pipeline, including job creation and much-needed energy infrastructure.

“The time to act is now, Mr. President.... we ask that you bring this entire process to an end no later than May 31, 2014, and that your final decision be the right one, finding that the Keystone XL pipeline is in the national interest,” concluded the letter.

LESSER PRAIRIE CHICKENS: TIPS FOR THE OIL AND GAS INDUSTRY

BY AMANDA AURORA, SENIOR SCIENTIST FOR SWCA ENVIRONMENTAL CONSULTANTS, AUSTIN, TEXAS

The recent decision by the U.S. Fish and Wildlife Service (USFWS) to extend the protections of the Endangered Species Act to the Lesser Prairie Chicken has exposed the oil and gas industry to potential regulatory liability in a part of the country where such matters had previously not been a significant issue. The chicken ranges across the short and mid-grass prairies of Texas, Oklahoma, New Mexico, Kansas and Colorado. The designation of the Lesser Prairie Chicken as a species threatened with extinction becomes effective on May 12, 2014. Once in effect, activities that negatively impact the lesser prairie chicken could require authorization from the USFWS. SWCA Environmental Consultants (SWCA) is tracking this issue closely, and offers the following tips for addressing endangered species issues and staying ahead of the game:

Be Prepared and Start Planning Early - Early identification of overlaps between future project activities and potential chicken habitat is critical to avoiding costly project delays. If overlap exists and negative impacts to the chicken are likely, obtaining Endangered Species Act authorization from the Service can take several years. Conducting pre-activity surveys for the presence of chickens in areas of suitable habitat can either substantiate the need for seeking Endangered Species Act authorization or can help justify a determination that coordination with the Service is not warranted. Such surveys must be completed during a short window in April when chicken breeding displays are in full force. SWCA helps our clients develop compliance strategies and avoid the need to stop work for endangered species.

Carefully Assess Your Risks - The Endangered Species Act protects threatened and endangered species from unauthorized “take,” which can include activities that directly or indirectly harm the chicken or significantly modify habitat. However, it is important to understand that not all negative effects are substantial enough to cause “take” as defined under the Act and its implementing regulations. SWCA works with its clients to conduct careful reviews of project activities and evaluate the actual likelihood for project activities to cross the “take” threshold based on the best available science. An early and in-depth look at the real effects of your activities can save valuable time and money.

Endangered Species Don't Typically Stop Projects - Nearly all projects that affect protected species can get “take” authorization from the Service. Only when project impacts would jeopardize the continued existence of the species or adversely modify officially designated critical habitats is authorization not available. Again, SWCA works with clients to identify where protected species may affect their operations and how project activities can be adjusted avoid these limiting circumstances.

Multiple Compliance Options - When “take” cannot be avoided, there are a variety of options available for achieving compliance with the Endangered Species Act. In some cases, enrollment in a pre-negotiated compliance program, such as the Western Association of Fish and Wildlife Agencies' Range-wide Plan, can provide a streamlined and timely solution for obtaining authorization for unavoidable impacts. However, some clients opt to pursue an individual permit or consultation that is more tailored to their particular circumstances and resources. Many of these tools have different requirements and standards for approval. Also of note, new enrollments in the existing Candidate Conservation Agreements for the chicken will no longer be available after the listing becomes effective on May 12, 2014; although non-federal activities enrolled in one of these candidate plans prior to this date will continue to have the regulatory assurances of the agreement. Regulatory specialists at SWCA can help you understand which options are best suited to accomplishing your goals.

For more information, visit www.swca.com. Questions? Please email aaurora@swca.com or call (512) 476-0891.

LNG OFFERS STRONG POTENTIAL FOR RAILROAD FUEL

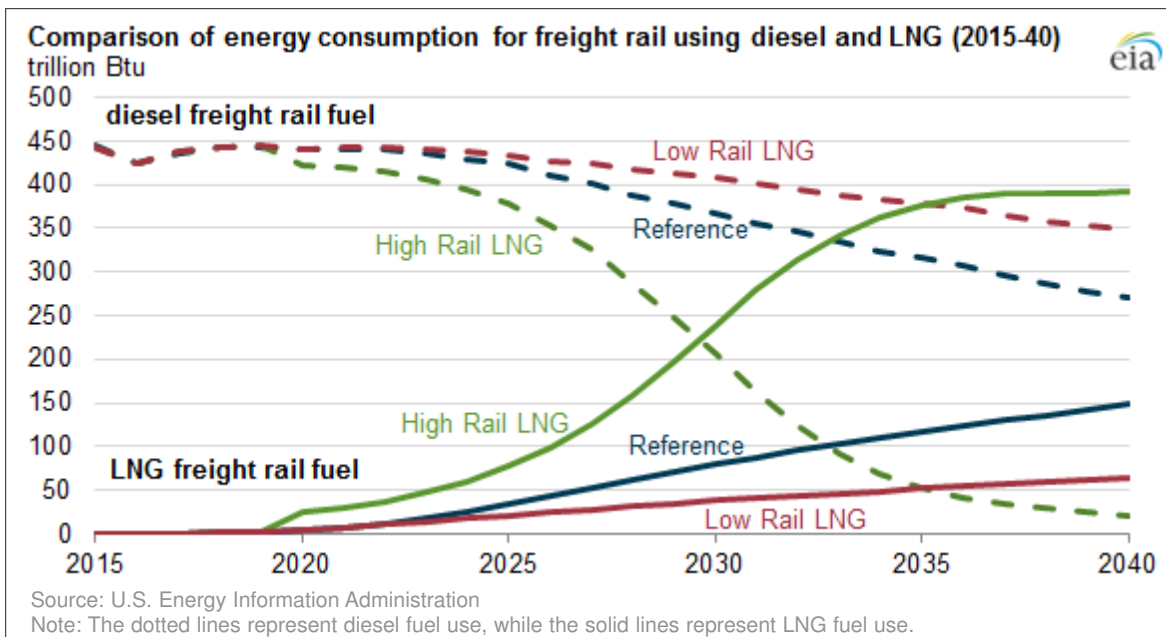
New data compiled by the U.S. Energy Information Administration (EIA) suggests a strong likelihood that liquefied natural gas (LNG) will play an increasing role in powering freight locomotives in the coming years. U.S. train operators are mostly interested in switching to LNG from diesel due to the significant fuel cost savings it can provide, along with the other impressive reductions it generates for operating expenses.

“Taken together, the seven major U.S. freight railroads consumed more than 3.6 billion gallons of diesel fuel in 2012, or 7 percent of all diesel fuel consumed in the country. The fuel cost more than \$11 billion in 2012 and accounted for 23 percent of total operating expenses,” calculates the EIA.

The EIA’s latest assessment shows that with the expected price difference between LNG and diesel fuel, future fuel savings are expected to more than offset the approximately \$1 million incremental cost associated with an LNG locomotive and its tender.

Should the nation’s major freight operators elect to switch to utilize LNG, it would transform how locomotives move across the U.S. “Some major railroad operators view the potential of LNG-fueled trains as similar to the switch from steam propulsion to diesel in the 1940s and 1950s, a revolution in freight rail known as dieselization. Still, others have responded with more caution,” notes the agency.

Increasing use of LNG by the railroad sector will help offer additional demand for American-drilled mineral resources, further supporting the oil and gas industry.



RRC COMMISSIONER PORTER HOSTS THIRD NGV WORKSHOP IN LAREDO

Hosting his third workshop in a series of statewide seminars, Texas Railroad Commissioner David Porter met with area fleet managers and oil field operators in Laredo, Texas, on Thursday, April 17, 2014, to discuss how they can save money and further increase the market for Texas natural gas, all as part of his initiative to promote natural gas as a transportation fuel in the Lone Star State. Presenters at Thursday’s workshop in Laredo also discussed the rising demand for Natural Gas Vehicles (NGVs), in addition to existing regulatory hurdles impeding natural gas use.

“Growing the market for NGVs helps sustain and expand good-paying jobs in the oil patch and significantly reduces greenhouse gas emissions,” said Commissioner Porter. “In the past year, employment in the oil and gas sector in Texas grew more than 5 percent, allowing Texas to continue to lead the nation in job creation. This workshop is intended to help more fleet managers and oil field operators make the transition to natural gas, both to save money and keep generating good-paying jobs for Texans.”

Earlier this year, Commissioner Porter hosted similar workshops in Midland and Longview. These workshops are designed to be working sessions, at which participants have the unique opportunity to engage experts in a dialogue regarding perceived barriers and opportunities associated with converting to NGVs in Texas, reports the commissioner. Panels consisting of area transportation directors and oil field operators who are already using natural gas presented their experiences and discussed advantages and challenges. State Senator Judith Zaffirini as well as State Representatives Jason Isaac and J.M. Lozano also participated in a panel discussion on current and

possible future rules designed to help increase use of Texas natural gas.

“Natural gas is one of the most common forms of energy used today,” said Raul G. Salinas, mayor of the city of Laredo. “Overall, the benefits of using natural gas include lower fuel costs, increased performance and dramatic emissions reductions. With the high costs of fuel, this is an important project that will save money not only for the city of Laredo, but the taxpayers, as well. Additionally, Webb County is one of the biggest producers of natural gas and we should use our own fuel to reduce the foreign oil dependency.”

For those unable to attend the NGV Stakeholder Workshops, presentations will be made available in the coming days to view online at: http://altenergy.rrc.state.tx.us/Alternative_Fuels_Events.



ANALYSTS EXPECT DRILLING TO INCREASE IN MAY

A new drilling report issued by the U.S. Energy Information Administration (EIA) indicates that domestic E&P activity in the country's six prominent shale basins should increase in May. Altogether, the six basins - including the Bakken, Eagle Ford, Haynesville, Marcellus, Niobrara and Permian - collectively account for almost 90 percent of the growth in U.S. oil production and nearly all of the gains in natural gas development.

More specifically, for oil production from the aforementioned shale basins, the EIA expects a net increase of 71,000 barrels per day (bpd) for a total of 4.3 million bpd in the month of May. The Eagle Ford Shale in Texas is expected to lead oil output, with a 2.3 percent increase from April to May.

Meanwhile, the EIA expects 38.9 billion cubic feet of natural gas will be produced per day from the six basins in the coming month, increasing by 467 million cubic feet from April. The Marcellus shale in the Appalachian region will likely lead with a 1.7 percent increase in production from April to May.

TEXAS SALES TAX REVENUE CONTINUES TO RISE, LED BY OIL AND GAS SECTOR

Last month, state sales tax revenue grew by 5.6 percent compared to March 2013, increasing by approximately \$2.09 billion, according to new figures released by the Texas Comptroller's office.

"The growth in sales tax revenues was led by business spending in the oil and natural gas mining, wholesale trade and construction sectors," said Texas Comptroller Susan Combs. "Collections from restaurants were also strong. This marks 48 consecutive months of growth in state sales tax collections."

Combs will also soon be sending cities, counties, transit systems and special purpose taxing districts their April local sales tax allocations, which altogether top \$554.5 million, up 6.2 percent compared to April 2013.

With ongoing oil and gas development across the state, cities are receiving more income and funding to support critical programs, including public education for Texas children.

TEXAS A&M, UT RECEIVE DONATIONS FOR ENGINEERING SCHOOLS

ConocoPhillips recently announced it will donate \$6 million to Texas A&M University's Dwight Look College of Engineering. The multi-year contribution will support construction of a new Engineering Education Complex (EEC). The new facility will be dedicated solely to undergraduate engineering education, and will be built adjacent to the existing Zachry Engineering Center on the A&M campus, which will also be renovated during the construction project.

When completed, the two centers will feature 600,000 square feet of state-of-the-art learning space. An innovative learning environment, the complex will feature flexible classrooms, design and fabrication shared-use laboratories, collaborative space, tutoring services and will be the hub of undergraduate engineering.

"An educated workforce drives our global economic future, and we're proud to continue to support some of the best and brightest minds through this donation," said Ryan Lance, chairman and chief executive officer of ConocoPhillips. "Texas A&M consistently delivers top-tier graduates that continually make a substantial impact within our company and around the world."

"We are appreciative of ConocoPhillips for its continued support of Texas A&M Engineering and for sharing our vision in this endeavor to provide a unique educational environment for our undergraduate students," commented Dr. M. Katherine Banks, vice chancellor and dean of engineering at Texas A&M University. "These new facilities will allow for hands-on, experiential learning and access to a wide range of multidisciplinary learning opportunities. This new approach to engineering education will produce technology leaders who are uniquely prepared to address tomorrow's challenges."

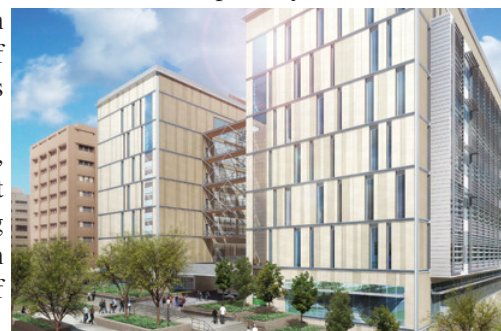
Through this and other educational contributions, ConocoPhillips aims to advance research in secondary and technical education, support diversity of the talent pool in math, science and engineering disciplines and improve effectiveness of primary education.

Meanwhile, earlier this month Exxon Mobil Corp. Chairman and CEO Rex Tillerson and his wife, Renda, personally pledged to donate \$5 million to the Cockrell School of Engineering at The University of Texas at Austin. The money will help fund the school's new Engineering Education and Research Center (EERC), expected to open in 2017.

"Renda and I could not be more excited about what is happening at the Cockrell School, and we are delighted to support the EERC, which, when completed, will be one of the great engineering education facilities in the country," commented Tillerson. "Under the strong leadership of President Bill Powers, Provost Greg Fenves and Cockrell School interim Dean Sharon Wood, we believe UT Austin is well-positioned to produce the next generation of engineering leaders."

"The Cockrell School has had an exceptional year in 2014, and with support from leaders and loyal alumni like Rex Tillerson, we are excited about where we're headed," said interim Dean Sharon L. Wood. "We thank Rex and Renda for their generous gift, which inspires all of our faculty, staff and students."

This financial contribution comes on top of a \$20 million gift from former ConocoPhillips CEO and Chairman Jim Mulva, which was made to the university in January for the construction of the EERC at UT.



UPDATE: POTENTIAL HYDRAULIC FRACTURING BAN IN CITY OF DENTON

In February, TIPRO reported on an effort by Denton residents (led by environmental activist groups) to ban the process of hydraulic fracturing within the city limits by initiating a city ordinance via petition. The effort requires supporters of the ban to collect the signatures of at least 571 Denton city residents.

One activist group has indicated that the necessary signatures have been obtained, although the petition has yet to be submitted for signature validation. If the petition is submitted, signature validation must occur within 20 days. If validation occurs, the petition will then be submitted to the Denton City Council for evaluation and decision. The Council will then have 60 days to make one of three decisions: approve, amend or decline.

If the Denton City Council votes to approve the proposed measure, it will become a city ordinance. However, should the Council vote to amend or decline the proposed measure, it will then be put forth to city residents as a ballot measure and the decision whether to ban hydraulic fracturing will lie in the hands of the voters.

TIPRO will continue to closely monitor any developments related to this initiative in the city of Denton, and keep members of the association informed of updates on the potential fracking ban.

SITTON TO STEP DOWN AS CEO OF PINNACLEAIS IF ELECTED TO THE RRC

As we approach the May primary runoffs, two Republican Railroad Commission candidates continue to combat accusations concerning potential conflicts of interest. Responding to this continued pressure, Ryan Sitton announced that he would step down as president and ceo of PinnacelAIS, an oil and gas engineering firm that he co-founded, if he wins the May runoff and election in November.

Sitton also told the *Texas Energy Report* (TER) that he would place his firm in a blind trust if elected. "Hopefully this will make things crystal clear for everyone, and we can get back to the campaign."

TIPRO has hosted both Republican candidates for the RRC, Wayne Christian and Ryan Sitton, among others, at several meetings in recent months to discuss their priorities, the importance of the RRC and industry which it regulates.

OIL & GAS DEVELOPMENT DRIVES POPULATION CHANGES, SHOWS U.S. CENSUS DATA

According to the U.S. Census Bureau, some of the nation's fastest-growing metropolitan areas are located in the heart of significant shale plays. Midland, Odessa and Bismark all made the list of the country's top 10 expanding cities in the year ending July 1, 2013, in large part due to the spike of domestic oil and gas development in Texas and North Dakota.

"The data released in this population report by the Census Bureau provides an important look at the fastest-growing counties and metro areas," said U.S. Secretary of Commerce Penny Pritzker. "Coupled with the Economic Census report results, the Census Bureau's population report provides a bigger picture of why certain areas may be growing or shrinking, which is critical for business and government decision-making."

Small towns are seeing a boom in employment, as industry workers relocate to drill for oil and gas in those regions with vast geologic formations.

"As the first results from the latest Economic Census reveal, mining, quarrying, and oil and gas extraction industries were the most rapidly growing part of our nation's economy over the last several years," commented John H. Thompson, director of the Census Bureau. "A major reason was the energy boom on the Plains, which attracted job seekers from around the country. Combining data about America's people, places and economy gives businesses and government the information they need for good investment and policy decisions."

The energy industry is also helping drive population growth in major metropolitan cities, such as Houston. Between 2012 and 2013, Houston had the largest numeric population increase in the country, gaining approximately 138,000 people, estimated the Census Bureau.

With a significant shift in local populations due to oil and gas activity, more infrastructure and housing options will continue to be needed to support new residents of these growing communities.

APRIL IS NATIONAL SAFE DIGGING MONTH

In recognition of National Safe Digging Month, industry professionals and homeowners are reminded to call 8-1-1 before beginning any digging projects on their land. After dialing 8-1-1, you'll be directly connected to your local one call center, where you can learn about different rules and regulations governing digging. By following safe digging practices, you'll help to prevent injuries, property damage and inconvenient power outages.

A free call to notification centers prompts pipeline operators to mark their underground pipelines in the area requested, ensuring the safety of springtime digging projects in gardens and yards, or other larger excavation activities by contractors. Every dig job requires a call to 8-1-1, even small projects like planting trees and shrubs on your property or installing a new fence.

"Texas state law and pipeline safety rules require specific precautions be taken when excavating. Working in partnership, state and local damage prevention councils are providing educational information on regulatory compliance and rule requirements to advance pipeline safety standards," said Railroad Commission Chairman Barry Smitherman last year on National Safe Digging Month.

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