



**TIPRO**  
**Texas**  
**Independent**  
**Producers and**  
**Royalty Owners**  
**Association**

## TRINITY EAST ENERGY SUES THE CITY OF DALLAS OVER BREACH OF CONTRACT

On Thursday, February 13, 2014, Fort Worth-based Trinity East Energy, LLC, filed suit against the City of Dallas, charging members of the city council with breach of contract, fraud, unconstitutional taking and inverse condemnation, amongst other allegations.

The legal move comes after a long fight by the company to obtain permits to drill gas wells in northwest Dallas - a fight which was lost last August when the Dallas City Council ultimately voted to deny Trinity East Energy's three permit applications for drilling on city-owned land.

However, despite its recent rejection of drilling permits, in 2008, the city had accepted \$19 million from the company for mineral leases on city property, after verbal assurances were made by then City Manager Mary Suhm and other city officials, who expressed support for drilling operations and mineral production on the tracts of land near the city's Luna Vista Golf Course and the Elm Fork gun range. Trinity East points out that besides the \$19 million paid as a signing bonus, terms of its lease agreement with the city included a 25 percent ongoing royalty on the natural gas produced, which potentially would have paid out hundreds of millions of dollars for Dallas taxpayers over the life of the wells. In addition, the ad valorem tax base created on producing minerals would have paid the city, county and school district a large stream of income over the same period of time.

"This is about a deal, plain and simple," said Steve Fort, president of Trinity East, in a prepared statement. "We had a deal with the City of Dallas and they went back on it. The city made promises to us and took our money. They sold us minerals but then denied us the ability to extract them."

Reads the lawsuit: "In 2008 the city, acting in its proprietary capacity, sold Trinity more than 3,600 acres of oil and gas mineral interests. In doing so, the city was paid more than \$19 million and the right to receive royalties from production from Trinity. In selling this real property interest to Trinity, the city knew that Trinity could only benefit from this contract if Trinity was actually allowed to drill a number of wells to produce gas. The city also knew that for drilling and production to occur, the city would be required to issue certain permits and other authorizations. Despite representations and promises by the city, as well as the city's contractual obligation, that Trinity would be allowed to drill and produce minerals, the city refused to grant Trinity the necessary approvals to conduct drilling and production operations. Trinity spent over \$30 million in reliance upon the city's promises and lost hundreds of millions more in lost profits. By this suit, Trinity seeks to hold the city accountable for its conduct and to recover the damages caused by the city's unconstitutional actions, its blatant breach of the agreement between the parties and its fraudulent conduct."

"I hope this doesn't surprise anyone, because this is what we predicted," commented Dallas Mayor Mike Rawlings on the lawsuit filed by Trinity East Energy. "My prediction has come true. We need to think carefully when we vote on actions to not put ourselves in the courthouse."

In December 2013, the Dallas City Council took further action to limit hydrocarbon development in the region by adopting new drilling restrictions that establish a 1,500-foot setback requirement for rigs and compressor stations from all homes, businesses, churches and other protected uses within the city's limits - essentially serving as a de facto ban on drilling in Dallas. Previously the city enforced a setback of 300-feet. The new drilling requirements now represent some of the strictest limitations in the state. Many recognize that this will heavily discourage future E&P activity in the Dallas area, which sits atop the Barnett Shale formation.

Representatives for the Dallas City Council assert the city will vigorously defend its right to exercise its regulatory powers to protect public health and safety as well as the environment. More specifically, in the suit against Trinity East, city officials argue the case lacks merit and claim the original drilling proposal was denied because it applied to an inappropriate site for drilling and production activities.

Through its lawsuit against the City of Dallas, Trinity East Energy is seeking unspecified damages, attorney's fees and interest.



## PRESIDENT'S MESSAGE

### TIPRO Members -

In response to a recent study published by Stanford University regarding America's current natural gas system, I wanted to take a moment to set the record straight and clarify some of the misconceptions featured in the report. After attempting to examine and synthesize diverse findings from a variety of sources on air emissions from natural gas development, Stanford scholars have concluded in their latest report that people who go out and actually measure methane levels from natural gas production consistently find more emissions than expected, particularly when comparing results to estimates generated by the U.S. Environmental Protection Agency (EPA). This is in direct opposition, however, to the findings presented by researchers late last year, who after lengthy investigation determined the federal government in the past has drastically exaggerated emission calculations for oil and gas operations. Measurements for that particular study were collected from active equipment at 150 production sites with 489 wells, 27 well completion flowbacks, nine well unloadings and four well workovers. The comprehensive report was completed in partnership between the University of Texas at Austin, the Environmental Defense Fund (EDF) and nine participating oil and gas companies, and included direct measurements of methane emissions from onshore natural gas production sites across the United States. As many of you may recall, the extensive analysis from this year-long study showed that the majority of hydraulically fractured well completions had equipment in place to reduce methane emissions by as much as 99 percent. Because of the innovative technology being utilized by operators at the drill site, methane emissions from well completions were actually 97 percent lower than the EPA's 2011 national emission estimates. Although we should continue to review new data as it becomes available, it is noteworthy that the aforementioned report from 2013 was the result of all stakeholders working in coordination to determine the true state of methane emissions from natural gas development.



**Ed Longanecker**

While on the topic, I think it is also important to point out that effective January 1, 2015, new federal regulations will require all producers to use green completions, through the implementation of New Source Performance Standards (NSPS) for the oil and gas industry. As highlighted above, many producers already utilize green completions whenever possible, relying on advancing technologies and best practices to further reduce air emissions of volatile organic compounds (VOCs). Through these amended NSPS rules though, next year we will all have higher standards to meet. According to the U.S. Environmental Protection Agency (EPA), these final regulations should yield a nearly 95 percent reduction in total VOC emissions from more than 11,000 new hydraulically fractured gas wells each year. This significant reduction will primarily be accomplished through the capturing of natural gas that currently escapes into the air, and making that gas available for sale.

Another point of contention with the new Stanford study - their research reportedly shows powering trucks and buses with natural gas instead of diesel fuel likely contributes to climate change and makes the globe warmer, adding that rising use of Natural Gas Vehicles (NGVs) will not help with reducing greenhouse gas emissions in the United States. However, we know that this is far from the truth. Natural gas burns cleaner, with 80 percent fewer nitrogen dioxide emissions, and virtually no sulfur dioxide, mercury or particulate pollution. Moreover, science shows that NGVs emit an average of 25 percent less carbon dioxide than vehicles that run on traditional gasoline or diesel.

Of course, members of our industry can recognize the need for added infrastructure in the U.S., which will lend additional support to unconventional development of shale formations. Furthermore, as we learn of new innovations and more technologies become available in the future, American producers will continue to improve E&P activities, while also minimizing their environmental impact.

On a separate note, the March 4 primary election is just around the corner, and I would like to encourage all of you to make sure to vote and help support those candidates who are most deserving to lead our state in the future. This will be a big year for Texas, with the potential for new officials to take over nearly all statewide offices. From Railroad Commissioner to Governor, we all need to actively engage and participate in this year's election, as it will most certainly impact future state regulation of oil and gas development in the Lone Star State.

**Sincerely,**

### TIPRO Calendar of Events

<b>MARCH 19, 2014</b> HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.	<b>MARCH 24-26, 2014</b> FORT WORTH — TIPRO'S 68 <sup>th</sup> Annual Convention, Hilton Hotel. For info, call: (512) 477-4452.	<b>APRIL 16, 2014</b> HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.	<b>MAY 14, 2014</b> HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.
--	--	--	--

## AN OPEN LETTER FROM TEXAS SENATOR KEL SELIGER

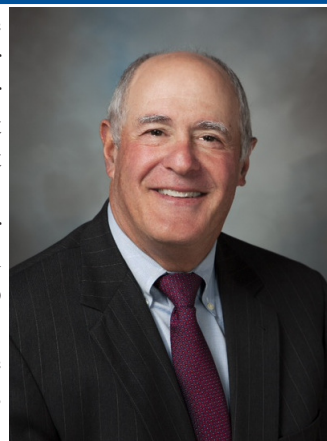
TIPRO's 2013 "State of Energy" Report tells us that oil and gas companies pay six times more state and local taxes and royalties on a per job basis - \$28,000 per employee - than the average private sector company. The 41,287 oil and gas jobs in Senate District 31 provide \$35,011,000 of the school tax base, or 42.3 percent. Almost half of our public school funding comes from one industry alone, and for that I want to personally say, thank you. If not for the taxes paid by the oil and gas industry, Texas' economy would not be as robust as we currently enjoy.

As a member of TIPRO and one of the state's 11,800 businesses paying \$48.7 billion in wages, your company contributes to the industry that not only drives the Texas economy, but also the country's and moreover, as the eighth largest producer nationally, the world's. Naturally this influence is spilling over into the classroom as well, with 388,000 jobs and 6.6 new indirect jobs annually related to oilfield activity. During the 83<sup>rd</sup> legislative session, we were successful in aligning public education with our workforce needs. As you may know, House Bill 5 passed and was signed by the governor, and of the many changes the bill enacted, flexibility and local control were paramount.

The bill requires more career and technology courses to be offered to satisfy core academic credit and allows for more electives than have been available to students in recent history. It also enables school districts to partner with higher education institutions and industry, such as yourselves, to develop courses with local school personnel to address specific workforce needs in the community - the ultimate form of local control. The oil and gas industry can now effectively partner with school districts to create specific Career and Technical Education (CTE) pathways in order to address local industry job needs. The benefit for students is the flexibility to learn a skill or trade while still completing high school, giving them more opportunity and options than ever upon graduation. It is a true win-win.

H.B. 5 also stipulates that all students graduate on a single graduation plan, rather than be forced to choose either the minimum, recognized, or distinguished graduation plan. Students may now choose to earn an endorsement in one of five areas, including Business & Industry; Arts & Humanities; Science, Technology, Engineering and Math; Public Services; or Multi-Disciplinary Studies. A student who pursues a Business & Industry endorsement would complete curriculum requirements directly related to database management, information technology, communications, accounting, finance, marketing, graphic design, architecture, construction, welding, logistics, automotive technology, agricultural science, and heating, ventilation, and air conditioning. While not all of these skills are applicable to TIPRO companies and their workforce needs, certainly many are relevant. I believe that this new graduation plan will provide flexibility and allow students to pursue a variety of postsecondary education and workforce opportunities.

As I close, I want to go back to where I started - this industry makes us who we are as a state, and the continued success of the oil and gas industry is in all of our best interest. Thank you for what you do, the contributions you make, and the Texans you employ. The Railroad Commission reported recently that the Texas average rig count was 837, representing about 49 percent of all active land rigs in the United States. Truly amazing.



## NEW VIDEO SHOWCASES PRODUCTION TRENDS IN SOUTH TEXAS' EAGLE FORD SHALE

Tracking production levels since 2008, a new video animation compiled by the U.S. Energy Information Administration (EIA) illustrates the remarkable surge in drilling activity in South Texas' Eagle Ford Shale formation over the past five years. Watching the video, viewers can quickly see how expansive operations are in this region of the state, which spans across 24 counties. The EIA video also demonstrates the shift in market trends in recent years, as many producers transitioned their business strategies to have a greater focus on oil production due to the relatively low price of natural gas. It also reveals which portions of the reservoir may be of greatest interest to operators searching to drill new wells.

To view the video, visit [www.youtube.com/watch?feature=player\\_embedded&v=loaaXJgdhMc](http://www.youtube.com/watch?feature=player_embedded&v=loaaXJgdhMc).

## ANNUAL MEMBERSHIP MEETING NOTICE

In accordance with Article IV, Section 1, of the TIPRO Bylaws, TIPRO Chairman David Martineau hereby calls a Membership Meeting for all association members in conjunction with the 68<sup>th</sup> Annual Convention. The Annual Membership Meeting will take place Tuesday, March 25, 2014, at 3 p.m. at the Hilton Hotel in Fort Worth, at which time the TIPRO Board of Directors will present a slate of candidates to be considered by the membership for election of the following offices:

- Class A Director - Region 1
- Class A Director - Region 2
- Class A Director - At-Large Representative
- Class B Director - Chairman of the Board
- Class B Director - Treasurer
- Class B Director - Secretary
- Class D Director - Past Chairmen



## U.S. HOUSE COMMITTEE EXAMINES EPA REGULATORY OVERREACH

Earlier this month, members of the U.S. House Committee on Science, Space and Technology met to review the scientific justification and cumulative impacts of regulations, policies and practices promulgated by the U.S. Environmental Protection Agency (EPA). The hearing, held on February 5, 2014, had a special focus on the effect of EPA regulations on industries operating in the state of Texas.

“The devastating impact of the EPA’s overreach can be felt from state houses to farmhouses across the nation,” commented Congressman Lamar Smith (R-Texas), chair of the committee. “Americans are tired of the red tape that hampers economic growth. The EPA’s regulatory ambitions threaten states’ rights and intrude on the every-day lives of our citizens. State regulators know how to protect the environment within their borders better than federal employees in Washington D.C. Even with the nation’s largest industrial sector, Texas had made vast improvements in air quality. Localized data provides state regulators with the information they need to create effective, targeted air and water quality management. Unfortunately, too many within this administration believe that the only way to protect our environment is through federal government intervention and centralized ownership. We should listen to voices from the states. It’s in everybody’s best interest for agencies like the EPA to help support these state efforts, not hinder them.”

EPA overreach is of particular concern to members of the Texas Independent Producers & Royalty Owners Association (TIPRO), who are directly burdened with keeping in compliance of not just local ordinances and state rules pertaining to oil and gas operations, but also federal regulations, which oftentimes are redundant of existing policies on energy development.

“I am grateful to the committee for holding this hearing to discuss this important topic, as the EPA continues to encroach on the regulatory jurisdiction of individual states,” said Railroad Commissioner David Porter, who was invited to testify before the committee. “Since taking office, it has been one of my biggest goals to keep the feds at bay and to retain state primacy of regulation, especially of the oil and gas industry, which is the biggest economic driver in Texas. If the EPA were to gain control of energy regulation, it would cripple the industry and devastate our economy. We in Texas know best how to achieve a balance of economic vitality and environmental safety, as we responsibly and proudly reign as the top producer in the country.”

Other witnesses participating in the Congressional hearing included: Bryan Shaw, chairman of the Texas Commission on Environmental Quality (TCEQ); Mr. Kenneth Dierschke, president of the Texas Farm Bureau; Dr. Elena Craft, scientist for the Environmental Defense Fund; and Dr. Bernard Weinstein, associate director of the Maguire Energy Institute at Southern Methodist University.

## U.S. SENATOR TED CRUZ INTRODUCES BILL IN SUPPORT OF U.S. ENERGY

In efforts to enhance domestic production of oil and gas, U.S. Senator Ted Cruz has unveiled a new proposal to change the nation’s energy policies. His bill, titled “the American Energy Renaissance Act,” strives to expand energy exploration, stop harmful regulations and eliminate barriers to trade and infrastructure development so as to allow the creation of private sector jobs and economic growth.

“A great American energy renaissance is at our fingertips,” explained Senator Cruz. “There is only one thing that will stop us from embracing it to its full potential: the federal government. Nothing else will stop the next generation of American energy pioneers. It won’t be lack of determination, ingenuity, or grit. It will be some faceless bureaucrat who simply says, ‘You’re not allowed to do that.’”

Key initiatives featured in Cruz’s proposed legislation include:

- Preventing federal regulation of hydraulic fracturing by leaving oversight in state hands
- Improving domestic refining capacity after streamlining the permitting process for upgrading and building new refineries
- Enhancing the process to develop energy infrastructure by removing barriers to developing and approving additional national pipelines and cross-border energy infrastructure
- Putting a stop to EPA overreach, as well as excluding greenhouse gases from regulation by EPA and other federal agencies
- Requiring both Congress and the President to approve any EPA regulation that could have a negative impact on jobs
- Broadening energy development on federal lands
- Expanding the offshore areas of the Outer Continental Shelf available for development and streamlining the permitting process for additional offshore exploration

In a recent speech announcing his new bill, Cruz highlighted examples of how the oil and gas industry is offering support for American families. “If you look at North Dakota, the average hourly wage in the oil and gas industry in North Dakota is \$45.90 an hour. I’m a lot more interested in generating lots of jobs at those wage levels where people can provide for their family than continuing the path where more and more people who are struggling lose their jobs. In North Dakota, which is experiencing a boom because of shale gas and oil, the unemployment rate is 2.6 percent. In North Dakota, does anyone know the hourly pay for a cashier at Wal-Mart? \$17.50. In North Dakota, McDonald’s is offering a \$300 signing bonus because people can make so much in the oil fields it’s hard to get people to flip burgers. That’s the potential of growth.”

The Senator added, “It’s happening in my home state of Texas as well. *The Dallas Morning News* reported last year that in West Texas, the flood of money and workers into the region is impossible to miss. Increased oil revenue is turning around poorer school districts. A high school graduate can earn more than \$80,000 driving trucks. From 2001 to 2012, the number of Texas upper middle-income jobs grew 24.2 percent.”

## CONGRESSIONAL WORKING GROUP RELEASES FINAL RECOMMENDATIONS ON ESA REFORM

Members of the U.S. House Endangered Species Act (ESA) Congressional Working Group have released their findings on the effectiveness of the ESA and issued final recommendations on how to improve the law, which was created four decades ago to preserve, protect and recover domestic species.

The Working Group was originally formed in May 2013 to answer questions on whether the federal policy has been successful in protecting endangered species in the United States. Through their extensive analysis, Congressional members also worked to determine if amendments to the government's regulation are necessary in order to reflect the scientific advancements and societal needs of today's world, as well as prevent legal abuse of the policy.

"There is no doubt of the strong and widespread support for helping to protect endangered species. However, our findings clearly show that there is room for improvements and ways to bring this 40-year-old law into the 21<sup>st</sup> century," said U.S. Representative Doc Hastings, co-chair of the ESA Working Group. "Returning focus of the law to species recovery, addressing litigation and settlement reforms, improving state and local participation, and improving science and data are some of the specific areas of improvements on which I believe we can build consensus."

The ESA Working Group has advised constructive changes in the following four categories:

- Ensuring greater transparency and prioritization of the ESA, with a focus on species recovery and delisting
- Reducing ESA litigation and encouraging settlement reform
- Empowering states, local governments and private landowners on ESA decisions affecting them and their property
- Requiring more transparency and accountability of ESA data and science

"We all agree on our obligation to protect imperiled species. Our Working Group has concluded that the ESA needs updating in light of tremendous conservation advances since 1973," added U.S. Representative Cynthia Lummis, co-chair of the Congressional group. "The American people have grown by leaps and bounds in their understanding of conservation, their willingness to conserve species, and their ability to conserve species—the ESA needs to grow with them. The ESA is stuck in a litigation driven model. This outdated model hinders the boots on the ground conservation we should be harnessing to actually recover endangered species, not just spout flowery rhetoric about the law in courtrooms."

Currently, more than 120 species in Texas are subject to review under the ESA, which could pose a serious threat to the economic vitality and prosperity of the Lone Star State. There is also a sizeable risk to oil and gas production in areas with a species under review.

In December 2013, state Comptroller Susan Combs formally submitted comments for consideration to the ESA Working Group, explaining the substantial economic impact associated with the federal rule. "As currently written and enforced, this outdated law too often leads to decisions based on limited scientific data that can restrict economic activity and impact private property owners, industries, communities, and local and state governments," said Combs. "While it is important to protect our natural resources, the ESA should be modernized and only applied when complete and accurate scientific data show a species is imperiled."

In recent years, since the spike in litigation over the ESA, a number of other elected officials in Texas have also voiced their concerns and criticisms over the U.S. policy.

## OCCIDENTAL PETROLEUM ANNOUNCES PLANS TO MOVE HEADQUARTERS TO TEXAS

On Friday, February 14, 2014, Occidental Petroleum Corporation announced the company will relocate its headquarters to Houston. Currently based in Los Angeles, Oxy's Board of Directors has consequently authorized a separation of Occidental's California assets into an independent and separately traded company.

"Creating two separate energy companies will result in more focused businesses that will be competitive industry leaders," said Stephen Chazen, president and CEO of Occidental Petroleum Corporation.

Company leaders say they believe the change will allow Oxy to be better positioned to continue its strategy of generating growth with strong returns on capital and increasing its dividend. Consistent with Occidental's strategic review to focus its core businesses, it also plans to reduce its exposure to proprietary trading activities related to crude oil and other commodities.



**Occidental Petroleum Corporation**

Several officials offered praise for the corporation's move, including Texas Governor Rick Perry. "Occidental Petroleum is the largest oil producer in Texas and one of the largest in the nation, so it seems only fitting the company would locate its headquarters in Houston, the Energy Capital of the World," said Governor Perry. "Oxy ranks 125 on the Fortune 500 list, and the company's move is further evidence Texas has built the most dynamic, pro-growth economy in the nation."

"I commend Occidental Petroleum for their wisdom in relocating their headquarters to the 'headquarters' of the nation's top oil and gas producing state," said Barry Smitherman, chairman of the Texas Railroad Commission (RRC). "And as Texas' largest oil producer, Occidental's move is further validation of the predictable, transparent and constructive leadership that our regulation at the RRC provides to all energy companies in Texas. This type of regulation at the commission clearly helps generate Texas jobs and propels our state's economy forward."

The company expects to complete the separation by the end of 2014 or the early part of 2015.

## TEXAS ECONOMY WELL-POSITIONED FOR THE FUTURE, REPORTS TTARA

A new report is offering insight into the state's 2014-15 budget and providing further evidence of the strong economic climate in Texas. Compiled by the Texas Taxpayers and Research Association (TTARA), the analysis indicates state finances have fully recovered from the most recent recession and are well positioned for the future.



"Lawmakers passed a conservative budget that meets the needs of the state, puts us on a sound financial footing, and cut taxes and fees by \$1.4 billion," said TTARA President Dale Craymer, a former chief revenue estimator in the Comptroller's Office and former budget director in the Governor's Office.

In the report, TTARA estimates that overall state budget for 2014-15 totals \$200.4 billion, with the more discretionary general revenue dollars tallying \$100.6 billion (including the property tax relief fund). Compared to the previous budget, general revenue spending will grow by \$7.0 billion or 7.5 percent.

Furthermore, increasing oil and gas development in Texas is credited with boosting the state's government coffers, lending more funding to state treasuries through increased tax revenue. Trends indicate that the Texas oil and gas industry will continue to offer support to the state unlike any other sector, particularly as E&P operations continue to grow in the

Eagle Ford Shale and the Permian Basin.

Craymer concluded, "Texas' state budget remains one of the leanest in the nation. State spending is shrinking as a proportion of the economy."

## OIL & GAS JOB GROWTH STRONG IN JANUARY, WHILE NATIONAL UNEMPLOYMENT STALLS

Last month, nationwide unemployment started to stagnate, with little change in the number of unemployed persons in the U.S. compared to the prior month. Although the jobless rate had steadily been on the decline, decreasing by 0.6 percent since last October, in early 2014, unemployment figures appeared to come to a standstill, now estimated at 6.6 percent, according to the U.S. Bureau of Labor Statistics (BLS).

Despite the national employment trend, job creation remained strong for the oil and gas industry in January, as companies continued to expand drilling operations throughout the nation. For instance, nearly 206,000 employees worked in the oil and gas extraction sector alone in January, roughly 1.8 percent more than in December 2013. Altogether, analysts project that jobs in oil and gas extraction have increased by 6.6 percent in the past year.

It is also noteworthy that the unemployment rate in state of Texas also fared much better than national trends, with employers adding 17,600 jobs this past December. Many of the newly created jobs are a part of the oil and gas industry.



## ACTIVIST GROUP CALLS FOR LOCAL BAN ON HYDRAULIC FRACTURING IN DENTON

Environmental activists have taken aim at oil and gas in another small Texas town - this time, in Denton, which is located in North Texas, near Dallas. The group has announced plans to launch a petition drive, in hopes of gathering 571 signatures from Denton residents, which would force the town's city council to consider of a ban on hydraulic fracturing in the area.

In the past few years, a handful of cities have opted to implement restrictive ordinances on drilling. However, none have passed out-right bans on fracing.

"The city of Fort Worth is a good example of how exploration and production of oil and natural gas can be done both safely and effectively, all with the cooperation of government leaders, members of the industry and residents," said Ed Longanecker, president of the Texas Independent Producers & Royalty Owners Association (TIPRO). "It is unfortunate to see some of the same groups again using fear and misinformation in attempts to slow oil and gas drilling activities, which ultimately hurts our economy, diminishes prospects of job creation and reduces much-needed revenue for our government coffers, which otherwise is driven by taxes placed on oil and gas development. Royalty owners are also deprived of income in the areas where these groups protest."

"In addition to local and state officials, leaders of our federal government have publicly touted the safety of hydraulic fracturing time and time again, and emphasized the importance of domestic oil and gas production in the United States. We are experiencing an energy revolution in the state of Texas and across the country, which is why we must capitalize on the opportunity that has been presented to us in a responsible and transparent manner. Anyone can find the truth and easily dispel the myths being presented by some."

Because the city of Denton sits atop the Barnett Shale, energy companies maintain interest in drilling in the region so as to produce natural resources contained in the geologic formation. If a ban were to be enforced by the city council, it could pose serious legal repercussions, as it would compromise valid agreements between operators and the city of Denton. It also would raise the question of regulatory jurisdiction on hydraulic fracturing, as that could be beyond the authoritative scope of a municipality.



# TIPRO MEMBERS: YOUR TICKET IS HERE!

Bring this to registration for **FREE ADMISSION** to the  
East Texas Oilfield Expo, March 5-6, 2014, Longview, Texas.

## EAST TEXAS OILFIELD EXPO

March 5<sup>th</sup> & 6<sup>th</sup>, 2014, MAUDE COBB CENTER, Longview, Texas

Presented By:  
Texas Classic Productions, LLC.



# ADMIT ONE

[www.TexasClassicProductions.com](http://www.TexasClassicProductions.com) | (866) 918-5550 | [info@TexasClassicProductions.com](mailto:info@TexasClassicProductions.com)

Attendance policy applies. To view the policy goto [Policy.EastTexasOilfieldExpo.com](http://Policy.EastTexasOilfieldExpo.com)

Attend and network with thousands of industry professionals, compare hundreds of suppliers and discuss industry trends at the premier oilfield expo in the Ark-La-Tex region. Contact us for more information on this expo or other in our 2014 Expo Series:



Tulsa Oilfield Expo  
June 4<sup>th</sup> & 5<sup>th</sup>, 2014  
[TulsaOilfieldExpo.com](http://TulsaOilfieldExpo.com)



South Texas Oilfield Expo  
July 9<sup>th</sup> & 10<sup>th</sup>, 2014  
[SouthTexasOilfieldExpo.com](http://SouthTexasOilfieldExpo.com)



OKC Oilfield Expo  
October 1<sup>st</sup> & 2<sup>nd</sup>, 2014  
[OKCOilfieldExpo.com](http://OKCOilfieldExpo.com)



Ark-La-Tex Oilfield Expo  
SPRING 2015  
[ArkLaTexOilfieldExpo.com](http://ArkLaTexOilfieldExpo.com)

CONTACT US TO RESERVE YOUR SPACE: (866) 918-5550 OR EMAIL [1@OILFIELD-EXPO.COM](mailto:1@OILFIELD-EXPO.COM)

**EXPOS COMING SOON TO: HOUSTON, FT. WORTH & DENVER!**





**REGISTER TODAY!**  
**TIPRO'S 68<sup>TH</sup> ANNUAL CONVENTION**  
MARCH 24-26, 2014  
HILTON HOTEL  
FORT WORTH, TEXAS  
MORE DETAILS AT [WWW.TIPRO.ORG](http://WWW.TIPRO.ORG)



**Texas Independent  
Producers &  
Royalty Owners  
Association**

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.

---

919 Congress Avenue, Suite 1000  
Austin, Texas 78701  
Phone: (512) 477-4452  
Fax: (512) 476-8070  
[www.tipro.org](http://www.tipro.org)

---