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TEXAS INAUGURATION 2015: GREG ABBOTT, DAN PATRICK TAKE OFFICE AS NEW LEADERS OF THE LONE STAR STATE

During a day full of inaugural festivities and celebrations, on Tuesday, January 20, 2015, Greg Abbott and Dan Patrick were sworn-in on the steps of the state capitol as the new governor and lieutenant governor of the state of Texas. Proclaiming a new day in Texas, both Governor Abbott and Lieutenant Governor Patrick used the occasion to highlight their top priorities and legislative agendas, placing emphasis on public education reform and the need for additional transportation infrastructure.

"As governor, I will ensure that we build the roads needed to keep Texas growing. That taxes raised for roads will be spent on roads. I will speed up our needed water projects, and I will secure our border," said Governor Abbott. "As governor, I will continue my legacy of pushing back against Washington if they spend too much, regulate too much, or violate our state sovereignty."

"In my campaign I pledged to: secure the border; lower property and business taxes; prioritize, reform and improve education; build our infrastructure and protect life, family, and the second amendment," stressed Lieutenant Governor Patrick. "That is what I pledged to do as a candidate and what I will do as lieutenant governor. My goal is to be the best lieutenant governor in the history of Texas. It's not about my legacy; it's about you, your family, and the future of Texas."

Patrick also promoted natural gas use during his speech, saying "one of my big dreams is for Texas to lead the nation in natural gas vehicles for all government entities. It's clean, it's cheap, it will save taxpayers money, and it's right here in Texas."

Both the governor and lieutenant governor underscored their optimism for a bright future for the Lone Star State, pledging to keep Texas strong in the years to come.

PERRY GIVES FAREWELL ADDRESS TO THE 84TH TEXAS LEGISLATURE

Speaking before a joint session of the Texas House of Representatives and Senate, on Thursday, January 15, Rick Perry delivered his final address to the legislature as outgoing governor of the state of Texas. Along with highlighting the state's impressive economic growth under his leadership, Perry also discussed ongoing technological advancements developed right here in Texas, including hydraulic fracturing and horizontal drilling.

"Our economy continues to be fueled by private sector innovation. Texas innovation gave the world Spindletop at the turn of the century and hydraulic fracturing at the end of the century. Today horizontal slant drilling is tapping oil and gas fields unreachable just a few years ago. This technology is a testament to the power of the private sector to drive economic change."

During his remarks, Perry went on to compare the success of Texas to states that have stifled energy development with bans on hydraulic fracturing. "But if you wonder whether leadership in a governor's office can impact economic growth, consider two states that share the Marcellus Shale: Pennsylvania and New York. Pennsylvania is creating thousands of energy jobs by utilizing fracking to tap deep energy reserves. On the other hand, New York Governor Andrew Cuomo, recently announced a fracking ban. Two states, two vastly different approaches. One creates jobs. One appeases a political base at the expense of the people. In Texas, we have chosen jobs. We have chosen energy security, and we will one day end America's dependence on hostile sources of foreign energy."

Perry served 14 years as the governor of Texas, the longest serving governor in Texas state history.

TEXAS JOB CREATION WILL CONTINUE THIS YEAR, DESPITE OIL PRICE SLUMP, DALLAS FED SAYS

Although the decline in oil prices may have created some degree of uncertainty for the state's economic outlook this year, the Federal Reserve Bank of Dallas maintains job growth will nonetheless be healthy in Texas during 2015.

"Texas has a diversified economy, and while the drop in oil prices slows job growth, it won't send the state into a recession like it did in the 1980s," said Keith Phillips senior economist and research officer for the Federal Reserve Bank of Dallas.

In the bank's annual *Texas Economic Outlook* report, the Dallas Fed calculates 2-2.5 percent job growth, equivalent to 235,000 to 295,000 new jobs being added in the Lone Star State in 2015. Job creation could slow in those regions with strong levels of energy development, warns the Dallas Fed, including the Permian Basin as well as the Eagle Ford in South Texas.



CHAIRMAN'S MESSAGE

TIPRO Members,

With a new slate of proposed regulations against the oil and gas industry, the U.S. Environmental Protection Agency (EPA) said last week it hopes to address climate change through the reduction of methane emissions from oil and natural gas production.

On Wednesday, January 14, the federal agency announced a series of steps it intends to take which will further limit emissions by the oil and gas sector, including:

- *Propose and set standards for methane and ozone-forming emissions from new and modified sources;*
- *New guidelines to reduce Volatile Organic Compounds (VOCs);*
- *Consider enhancing leak detection and emissions reporting;*
- *Lead by example on public lands;*
- *Reduce methane emissions while improving pipeline safety;*
- *Drive technology to reduce natural gas losses and improve emissions quantification;*
- *Modernize natural gas transmission and distribution infrastructure; and*
- *Release a Quadrennial Energy Review (QER)*

Ironically, at the same time as announcing the need for additional oil and gas restrictions, the Obama Administration acknowledged substantial efforts already being made by oil and gas producers to voluntarily reduce air emissions over the last three decades. Studies have shown that since 1990, methane emissions from the oil and gas industry have actually declined 16 percent in the past 24 years, even with skyrocketing U.S. production from the nation's unconventional shale formations. When possible, operators continue to utilize advancing technologies to lessen their environmental impact from domestic E&P activities.

Still, regulatory officials are urging the cooperation of industry stakeholders to develop a comprehensive and transparent regime that will lessen methane emissions from the oil and gas sector by as much as 45 percent by the year 2025.

In addition to the administration's regulatory approach, the EPA also has outlined several voluntary efforts currently underway that will address emissions from U.S. oil and gas development, including plans to expand the EPA's Natural Gas STAR Program through the launch of a new partnership in collaboration with key stakeholders later in 2015. The EPA said it will also work with the departments of Energy and Transportation as well as leading companies, individually or through broader initiatives such as the Downstream Initiative or the One Future Initiative, to develop and verify robust commitments to reduce methane emissions.

TIPRO maintains that new regulations from the EPA, if adopted, will impose redundant, costly restrictions on an industry that is already taking advantage of technologies to protect the environment. Undoubtedly, these regulations will hurt our state's smallest oil and gas operators, many of whom are members of this association.

Sincerely,

Raymond James Welder, III



Raymond James Welder III

SUGGESTIONS THAT FRACING IS UNSAFE ARE BASED ON FEAR, ENERGY EXPERT SAYS

As municipal governments evaluate local drilling ordinances and consider updating regulations on the development of oil and gas, one petroleum expert is cautioning officials - as well as public citizens - to utilize scientific facts, not listen to false myths only intended to instill fear.

In an op-ed published on Wednesday, January 21, in the College Station newspaper, *The Eagle*, Stephen A. Holditch says extreme and unreasonable restrictions are being advocated for by environmental organizations, which often are intended only to eliminate oil and gas development.

"Shutting down drilling and hydraulic fracturing is the tactic being used by many organizations who are just plain against hydrocarbon development. All of the fear mongering about water pollution or air emission issues that have been in the news for the past few years have little or no merit. Every case history published about these perceived problems have been debunked with facts."

Holditch also said, "In my 44 years of experience, research and developing oil and gas in Brazos County, I have not experienced any serious issues with the process of using hydraulic fracturing to develop oil and gas reservoirs."

Holditch is a professor emeritus of petroleum engineering at Texas A&M University and a member of the National Academy of Engineering. Holditch also served on the Secretary of Energy Advisory Board Subcommittee in 2011.

TIPRO Calendar of Events

FEBRUARY 11, 2015 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.	FEBRUARY 11-13, 2015 HOUSTON — Winter NAPE Expo, George R. Brown Convention Center. For info, call: (817) 847-7700.	MARCH 2-3, 2015 AUSTIN — TIPRO's 69 th Annual Convention, Sheraton Downtown Hotel. For info, call: (512) 477-4452.	MARCH 11, 2015 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (832) 233-5502.
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TIPRO's 69TH ANNUAL CONVENTION AGENDA

MONDAY, MARCH 2

10:00 A.M. REGISTRATION OPENS

GENERAL SESSION

1:00 P.M. WELCOME ADDRESS
RAYMOND JAMES WELDER, III,
CHAIRMAN, TIPRO

1:30 FEDERAL ISSUES UPDATE
U.S. CONGRESSMAN BILL FLORES,
U.S. HOUSE OF REPRESENTATIVES

2:15 REGULATORY UPDATE
CARLOS RUBINSTEIN,
CHAIR, TEXAS WATER DEVELOPMENT BOARD

3:00 BREAK

3:15 POLITICAL OUTLOOK PANEL
EVAN SMITH, TEXAS TRIBUNE
HARVEY KRONBERG, QUORUM REPORT

4:15 ECONOMIC OUTLOOK

5:30 LEGISLATIVE RECEPTION

8:00 DINNER ON YOUR OWN

TUESDAY, MARCH 3

7:30 A.M. REGISTRATION OPENS

GENERAL SESSION

8:00 MEMBERSHIP BREAKFAST

MEET & GREET WITH LORI WROTENBERY,
DIRECTOR OF RRC'S OIL & GAS DIVISION

9:00 STATE ISSUES PANEL
REPRESENTATIVE CHRIS PADDIE
REPRESENTATIVE DREW DARBY

10:00 MARK TRUAX,
SENIOR MANAGER, PAC/WEST COMMUNICATIONS

10:45 BREAK

11:00 CAPITOL CALL-UP INFORMATION

11:45 BUS DEPARTS FOR SAENGERRUNDE HALL

12:00 BBQ LUNCHEON WITH CAPITOL STAFF
SAENGERRUNDE HALL

2:00 CAPITOL CALL-UP MEETINGS

4:00 BUS DEPARTS FOR HOTEL

6:00 CHAIRMAN'S RECEPTION

7:00 CHAIRMAN'S DINNER

HAT'S OFF AWARD PRESENTATION

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WEDNESDAY, MARCH 4

8:30 A.M. TIPRO AUDIT COMMITTEE MEETING

10:00 TIPRO BOARD MEMBER MEETING



CONVENTION REGISTRATION FORM

MEMBER REGISTRATION FEES:

INCLUDES ALL AGENDA EVENTS & MEALS

☐ MEMBER - FULL REGISTRATION: \$495

☐ SPOUSE - FULL REGISTRATION: \$325

EVENT-SPECIFIC TICKETS:

☐ TUESDAY-ONLY BADGE: \$395

NON-MEMBER REGISTRATION FEES:

INCLUDES ALL AGENDA EVENTS & MEALS

☐ NON-MEMBER - FULL REGISTRATION: \$695
(REGISTRATION INCLUDES 1 YEAR REGULAR TIPRO MEMBERSHIP)

☐ NON-MEMBER SPOUSE - FULL REGISTRATION: \$475

EVENT-SPECIFIC, NON-MEMBER TICKETS:

☐ TUESDAY-ONLY BADGE: \$595



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CANCELLATION POLICY

In order to receive a refund, TIPRO must be notified of your cancellation no later than

Friday, February 20, 2015.

Return registration form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701, or fax to (512) 476-8070.

Registration forms must be accompanied by payment.

TIPRO's 69TH ANNUAL CONVENTION

AVAILABLE SPONSORSHIP OPPORTUNITIES



GOLD LEVEL **\$10,000**

- Four all access badges to the Convention
- Four additional tickets for non-registered guests to the Chairman's Dinner
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- Acknowledgement in all promotions, mailings, e-blasts and website listings
- Full-page advertisement in the Convention Program
- Half-page advertisement in TIPRO's newsletter

SILVER LEVEL **\$7,500**

- Three all access badges to the Convention
- Three additional tickets to invite non-registered guests to the Chairman's Dinner
- Acknowledgement in all promotions, mailings, e-blasts and website listings
- Full-page advertisement in the Convention Program
- Half-page advertisement in TIPRO's newsletter

BRONZE LEVEL **\$5,000**

- Two all access badges to the Convention
- Two additional tickets to invite non-registered guests to the Chairman's Dinner
- Acknowledgement in all promotions, mailings, e-blasts and website listings
- Half-page advertisement in the Convention Program
- Half-page advertisement in TIPRO's newsletter

BLUE RIBBON **\$3,500**

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- Company logo will be co-branded along with the TIPRO logo to tote bags given to all attendees upon arrival.
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- * Limit one sponsorship

COFFEE MUG SPONSOR **\$3,000**

- Company logo will be imprinted on coffee mugs distributed to all conference attendees
- Acknowledgement in all promotions, mailings, e-blasts and website listings
- * Limit one sponsorship

CELL PHONE CHARGING STATION SPONSOR **\$2,500**

- Receive recognition at one of the most frequented destinations for conference attendees
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- * Limit one sponsorship

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- Each meeting attendee will receive a TIPRO selected gift during their first night in the hotel with sponsoring company logo
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LANYARD SPONSOR **\$2,500**

- Company logo will be added to the name badge lanyards worn by all conference attendees
- Acknowledgement in all promotions, mailings, e-blasts and website listings
- * Limit one sponsorship

NEW BUSINESS ADVISORY COMMITTEE FORMED BY LT. GOV. TO GUIDE TEXAS LEGISLATURE

In an effort to involve the private sector in public policy, Texas Lieutenant Governor Dan Patrick has formed a new advisory board of business and industry leaders who will help provide recommendations to lawmakers throughout the legislative session. The Advisory Board of Public Citizens is comprised of several different committees that focus on: water, transportation, tax policy, energy, economic development and economic forecasting. With their experience and knowledge, Patrick hopes that board members can educate lawmakers in both chambers about the consequences of proposed legislation.

“Why would you want a legislative body to disconnect themselves from the private sector? That’s what Washington has done, and why the United States has major issues,” the lieutenant governor said in a press conference held on Thursday, January 15. “Very often the private sector is asked for help by a candidate, but after they get elected, there’s not much follow-up. This is for them to provide us with insight and new ideas that either we haven’t thought of — or when we have an idea, a piece of legislation, we’ll say, ‘How will this work?’”

T. Boone Pickens will chair the Advisory Board’s Energy/Oil & Gas Committee. Other committee members will include S. Javaid Anwar, John Connally, Tim Dunn, Kirk Edwards, Chris Faulkner, Wil VanLoh, Jr., John Walker and Kelcy Warren.

FEDERAL JUDGE STRIKES DOWN BAN ON HYDRAULIC FRACTURING IN NEW MEXICO

This week, the U.S. District Court for the District of New Mexico ruled against a ban on hydraulic fracturing and drilling in Mora County, New Mexico, calling the local fracturing ordinance unconstitutional and invalid. The ordinance, which was enacted nearly two years ago, clashes with both state and federal law, concluded U.S. District Judge James O. Browning.

Although Mora County currently has no active oil and gas wells, local officials elected to prohibit hydraulic fracturing in April 2013 due to environmental concerns. SWEPI, a subsidiary of Royal Dutch Shell, later challenged the ordinance in court, contending it effectively destroyed the value of the company’s \$1 million in drilling leases.

“Historically, a county cannot enact or supersede federal law,” Browning wrote in his 199-page ruling on the case. “The ordinance thus goes beyond Mora County’s historical lawmaking just to deprive a corporation of their rights.” Judge Browning also found the drilling ordinance violates state law, and that the county lacks the authority to enforce it on state land.

Municipal bans against energy development remain a contentious issue, with varying measures being accepted nationwide. Although Colorado courts have rejected local fracturing bans, state courts in New York and Pennsylvania have upheld some level of local government control over oil and gas development.



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“KEYSTONE XL PIPELINE — DO WE NEED IT AND WILL WE GET IT?”

By CHARLES SARTAIN, GRAY REED & MCGRAW

The Nebraska Supreme Court has removed the last roadblock to President Obama’s approval of the Keystone XL Pipeline. The question being asked now is whether, with plummeting oil prices, the project is viable, or even necessary. Many believe the answer is yes, for several reasons. First, oil prices are by their nature volatile. If the project is viewed as a long-term investment, the temporary price decrease will not have a major effect on the project’s viability. Second, sending expensive Canadian oil sands crude to Texas and Louisiana refineries via pipeline is far cheaper than by rail. Reducing transportation costs maintains the viability of Canadian crude.

The U.S. Senate is expected to pass a bill authorizing construction of the pipeline. The House passed a similar bill last year 266 to 153, with 28 Democrats joining nearly all Republicans. You should expect the Senate bill to be loaded with politically sensitive amendments offered by both Democrats and Republicans, such as addressing greenhouse gas emissions and global warming, focusing on solar, wind and renewables, and ending the decades-old ban on exporting U.S. oil.

What Opponents Are Saying

President Obama has threatened to veto the bill. His rationale is that the State Department, in a well-established process that Congress should not interfere with, must determine whether the pipeline is in the national interest. All indications are that the President does not want to make a decision. One reason is that he is caught between union supporters, such as the AFL-CIO and Building Trades Council, on one hand, and environmentalists and green energy entrepreneurs on the other.

President Obama says he is skeptical that the project would spur economic growth and contribute to domestic energy security, and says it will not push down U. S. gas prices. He says only 35 permanent jobs would be created, which must be measured against whether the pipeline will contribute to an overall warming of the planet.

Opponents refer to the pipeline as a “climate disaster,” asserting that it will transport up to 830,000 barrels per day of “dirty tar sands crude” over 875 miles, describing extraction of tar sands as “one of the most destructive projects on earth.” Environmentalists claim that producing crude from oil sands releases far more greenhouse gases into the atmosphere than conventional oil, and are concerned that a pipeline burst could endanger surface waters and aquifers.

What Supporters Are Saying

Many factors favor the pipeline. The State Department’s previous report approving the pipeline found that the project would not significantly increase U.S. greenhouse gas emissions and would create more than 40,000 jobs. Canada is going to sell its oil to someone, if not to the U. S. then overseas. Canadian oil will not be left in the ground merely because Keystone is not approved. And the pipeline would do much to help reduce our dependence on energy from regions of the world that are politically volatile and hostile to American interests. Polls reflect that voters favor Keystone. One poll shows the margin to be three to one. Others show approvals ranging from 59 to 61 percent.

Safety is another factor favoring Keystone. Canadian oil sands crude will continue to be sold in the U. S. Moving oil through a pipeline is cleaner and safer than moving the same oil by rail. That feature should appeal to environmentalists who oppose moving oil by rail.

Environmental degradation is not as desperate as portrayed by pipeline opponents. The industry is legally obligated to reclaim to a productive state all lands disturbed by oil sands mining. Mines operate for decades, and reclamation activities on these sites can take decades to complete. According to the Government of Alberta, as the industry has matured reclamation efforts have accelerated, reclamation is ongoing, and significant investment by industry and the Alberta government has resulted in improvement in reclamation technology and techniques.

The president should approve the pipeline and let the markets decide if it should be built. When economic activity increases and the slowdown in drilling reduces supply, the price of energy will increase. The pipeline would strengthen the U.S. as the world’s new swing producer. At the end of the day, the world will be better off with more capacity in the U.S., which includes the ability to move crude to refineries efficiently and safely.

Charles Sartain is the author and editor of Energy & The Law and his expertise includes cases involving oil and gas, business torts, noncompetition agreements and theft of trade secrets, contracts, and injunctions.

U.S. SENATOR TED CRUZ FILES AMENDMENTS TO KEYSTONE BILL FAVORING OIL & GAS

On Tuesday, January 13, U.S. Senator Ted Cruz, R-Texas, introduced three amendments to S. 1, the Keystone Pipeline legislation currently under consideration by Congress. In support of domestic energy development, the amendments strive to boost economic growth and promote job creation for Americans.

Specifically, the amendments call for the following:

- Expedite LNG exports to members of the World Trade Organization (WTO);
- Repeal the crude oil export ban; and
- Implementation of the North American Energy Infrastructure Act (which would remove barriers to cross-border energy development, including the need for presidential approval of cross-border energy infrastructure).

Last year, Senator Cruz filed similar legislation through the American Energy Renaissance Act, which called for harnessing the nation’s energy resources and removing federal impediments to energy exploration, development and trade.

TEXAS COMPTROLLER EXPECTS MODERATE ECONOMIC EXPANSION FOR NEXT BIENNIUM

Texas lawmakers will have approximately \$113 billion in revenue available for general-purpose spending during the 2016-2017 biennium, announced state Comptroller Glenn Hegar on Monday, January 12. The Biennial Revenue Estimate (BRE) is a formal estimate of the funds available from taxes and other revenue sources over the next two years. The Texas Constitution requires the Comptroller's office to submit the report of the state's financial condition at the start of each regular session of the Texas Legislature.

"Texas recovered well from the recession of 2008-2009 and witnessed strong economic growth well ahead of the rest of the country. This recovery is perhaps most obviously illustrated in our tremendous job growth figures of 1.1 million since the recession, which far outpaced those of other large states," Hegar said. "This was partly attributable to the recent shale oil boom in Texas which helped counterbalance a sluggish national recovery and weakness in other sectors of the economy. Texas remains a leader on the national economic stage and while we anticipate the robust pattern of growth the state has seen in recent years to moderate, we do expect continued expansion of the overall Texas economy."

In fiscal years 2013 and 2014, the Texas economy saw inflation-adjusted growth rates of 4.3 and 3.7 percent, respectively, said the Comptroller's office. Economists expect the Texas economy will continue to grow by an estimated 3 percent in fiscal year 2015. That growth rate increases slightly to 3.2 percent in fiscal 2016 and rises even further to an estimated 4.1 percent in fiscal 2017. Over the coming biennium, the state's unemployment rate is projected to remain around 5 percent.

"The significant drop in oil prices in recent months will likely lead to a marked slowdown in oil exploration and production. This slowdown will dampen overall economic growth in Texas," Hegar noted. "However, in addition to the economic boost felt by Texas motorists as a result of lower gasoline prices, there are industries in Texas' diverse economy such as transportation and some manufacturing that will benefit from lower energy prices. This, coupled with continued strength in construction, professional services and other sectors of the broader economy, should somewhat counterbalance a slowdown in the energy sector."

ANOTHER REPORT TOUTS THE BENEFITS OF LIFTING U.S. CRUDE EXPORT BAN

As the conversation on the nation's crude export ban continues to grow, this month Columbia University published a new report investigating the U.S. energy policy.

Columbia's Center on Global Energy Policy released the study, entitled "Navigating the U.S. Oil Export Debate," which reviews the origin and current form of U.S. crude export restrictions and analyzes the energy market, economic, security, geopolitical, trade and environmental implications of modifying or lifting those restrictions.

Researchers found the rationale for crude export restrictions was no longer applicable, adding that today's oil market is very different than it was in the 1970s when the ban was first put in place. "We estimate lifting current crude export restrictions could increase U.S. crude production anywhere between 0 and 1.2 million barrels per day on average between now and 2025."

Lifting the restrictions would also benefit Americans by helping to decrease the price for gasoline, diesel and other petroleum products. According to the report, domestic gasoline prices could drop by 12 cents per gallon if crude export restrictions were removed.

"Allowing exports would make the U.S. more resilient, not less, to supply disruptions elsewhere in the world. Greater integration into global markets would make U.S. oil supply more responsive to international market developments, mitigating the impact on American consumers and the U.S. economy of production losses in other countries."

Other reports have also reached similar conclusions with regards to the crude export ban. Last year global consulting firm IHS found that doing away with export restrictions would also generate added benefits to the U.S. economy, gross domestic product (GDP) and government revenues.



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“IRVING AREA EARTHQUAKES: SEPARATING FACTS FROM FEAR”

By CRAIG PEARSON, Ph.D., STAFF SEISMOLOGIST AT THE TEXAS RAILROAD COMMISSION

At the Railroad Commission, we're deeply committed to protecting the public, and our natural resources, while providing a stable regulatory environment for the energy industry. That's why it's so important facts, not fear drive the research and review of recent seismic activity in Irving. Unfortunately, rather than informing the public, it seems misreporting and hyperbole in the media is serving only to scare them.

Let's begin with what we know: there have been 18 earthquakes with magnitudes greater than 2.5 up to magnitude 3.6 in and around Irving since November 2014. That's when I began reviewing seismic events in the area. Understandably, residents of the region want to know what's causing them, and whether there is anything possible that can be done to stop or reduce seismic activity.

While speculation has run rampant that this recent seismic activity in Irving is the result of oil and gas operations in the area, there is no evidence at this time to indicate any connection. I base my current assessment not on speculation or assumption, but on a scientific review of seismic activity that has occurred, all oil and gas activity in Dallas County and the surrounding area, and information shared by researchers with Southern Methodist University (SMU). Suggestions by the media that I “quickly dismissed” oil and gas activity as a cause of earthquakes in Irving are simply wrong.

Getting back to what we know. There are two gas wells just north of the estimated epicenters of earthquakes in Irving; both wells are inactive. One of those wells never produced and the other has not been operational since 2013. The nearest active disposal well is more than 10 miles away in Tarrant County.

Following a 3.6 earthquake in Irving on Tuesday, Jan. 6, 2015, the Commission dispatched inspectors to both inactive wells and the disposal well to check for any possible damage. None was found. The Commission is also requesting daily pressure reports from the Tarrant Co. disposal well operator. All of this is being done out of an abundance of caution so residents can be confident the Commission is making public safety our top priority.

It's also important to consider that recent swarms of low-magnitude seismic activity in other parts of North Texas, much like those in Irving, have dissipated almost as quickly as they began. To date, none of these swarms has reached a magnitude that would cause even nominal damage.

I'll conclude with what we don't know: what's causing the earthquakes in Irving. I will continue to work closely with SMU researchers and review any information that could help determine the precise location and cause of recent seismic activity in Irving. And most importantly, I will let facts, not fear drive this process to assure all Texans, especially those in the Irving area, the Railroad Commission is doing all we can to protect them and provide them with a clear understanding of what is happening.

TEXAS HOME TO TOP COUNTIES FOR OIL & GAS EMPLOYMENT

According to new statistics released by the U.S. Bureau of Labor Statistics (BLS), the Lone Star State has five out of the top 10 counties for oil and gas jobs in the nation. Texas counties with the highest relative concentration of industry employment in the U.S. include: Upton County, Crockett County, Hutchinson County, Yoakum County and Sterling County.

In the BLS analysis, Washington County, Oklahoma, was recognized as holding the highest concentration of employment in the U.S. oil and gas extraction industry, as of June 2014. The BLS reports that 21 states had counties with oil and gas employment levels more than twice that of the national average.

Texas maintains its title as the top state for oil and gas production in the nation. The Railroad Commission calculates that in the last 12 months, total reported Texas production topped 870 million barrels of oil and 8.0 trillion cubic feet of natural gas. As of December 19, Texas claimed 48 percent of all active land rigs in the United States.



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