



**Texas
Independent
Producers and
Royalty Owners
Association**

TEXAS LEGISLATURE APPROVES THE STATE BUDGET

On Friday, May 29, 2015 the Texas Senate gave final approval to a \$209.4 billion two-year budget, a 3.6 percent increase from the budget of the last fiscal cycle. The Senate adopted the budget with a 30 – 1 vote after being discussed at length and agreed to by the ten Texas House and Senate budget conferees. The approved state budget increases funding for education, transportation and border security. Senate Finance Chairwoman Jane Nelson, said that in her opinion this budget “is responsible and compassionate.”

Although pleased with the final product, Senator Kevin Eltife expressed that he does not believe the budget goes far enough in addressing state debt that has accumulated over the years. Specifically, Senator Eltife noted concern with the state’s plan to approve tuition revenue bonds, borrowing to the tune of several billion, when the state has approximately \$15 to \$18 billion still available. According to Senator Charles Schwertner of Georgetown, one of the budget conferees, this budget “funds our priorities and lives within our means.”

After a lengthy debate in the Texas House, the chamber approved the budget only hours later. The House voted favorably for House Bill 1 with a vote of 115 – 33. “I’m very happy to support this budget,” noted House Appropriations Chairman John Otto during the floor debate. As passed, the budget is \$2.9 billion under the state’s constitutional spending cap. Additionally, it leaves \$6.4 billion unspent with another \$11 billion untapped in the State’s Rainy Day Fund accumulated from severance taxes on oil and gas production.

SUNSET REVIEW OF RAILROAD COMMISSION SET FOR 2017

In the final days of the 84th legislative session, legislation attempting to adjust the sunset review schedule was put forth in conference committee. The adjustment included moving the sunset review of the Texas Railroad Commission from 2017 to 2023. The change was added in the conference committee report to House Bill 3123 and was adopted by the Texas Senate. On Sunday May 31, House members voted down a resolution allowing for the changes to occur in House Bill 3123 because of concerns regarding the review schedule for several agencies, including the Railroad Commission. Later that day, the House of Representatives adopted a previous version of the bill that maintained the Railroad Commission Sunset Review for 2017.

MINERAL INTEREST UNDER COUNTY ROADS

This session, the Texas legislature approved House Bill 2521 by Rep. Garnet Coleman (D-Houston) and Senator Carlos Uresti (D-San Antonio) which seeks to offset the cost of maintaining a county road system by returning revenue generated by mineral leases to the county. As passed House Bill 2521 will require oil and gas operators to remit to the county payments from oil and gas leases in a county right-of-way or under lands owned by the state that may be acquired by a county for the purposes of constructing a county road. Proponents of House Bill 2521 note that prior to 1960 oil and gas companies executed leases with county government on county road right-of-ways. However, an attorney general opinion later determined that the county had no statutory authority to execute such leases, moving all interest acquired from oil and gas revenues under county roads to the state’s general revenue fund. With the increase of oil and gas production across Texas over the past ten years it’s more pertinent than ever to make certain our state’s transportation infrastructure is maintained. House Bill 2521 requires that all payments sent to the counties must be deposited in the county road and bridge fund and used only for the purposes of preserving county roads. House bill 2521 was sent to the Governor on May 30, 2015.

TEXAS LEGISLATURE MAKES REFORMS TO COUNTY ENERGY TRANSPORTATION GRANT PROGRAM

Representative Jim Keffer (R-Eastland) and Senator Carlos Uresti (D-San Antonio) passed House Bill 4025 which permits a county with a county energy transportation reinvestment zone (CERTZ) to use money in the tax increment account to provide funding for transportation infrastructure projects throughout the county. The bill also revises the criteria for transportation grants by mandating that weight tolerance permits must be related to oil and gas activities when being used to factor grant rewards. The grant criteria is modified to weigh horizontal wells higher than vertical wells due to the fact that horizontal wells can require more than five times the number of trucks in the drilling process. House Bill 4025 has passed both chambers and awaits the signature of the Governor.

PRESIDENT'S MESSAGE

On Monday, June 1, 2015, the 84th Texas Legislature adjourned Sine Die. During session, a wide variety of critical issues required the attention of lawmakers and the Texas Independent Producers & Royalty Owners Association (TIPRO), including a dominant legislative theme related to municipal authority and the development of oil and natural gas. More than 6,200 bills were filed for consideration in 2015 - including over 4,200 in the Texas House of Representatives and 2,069 in the Texas Senate. Of these, TIPRO tracked nearly 400 pieces of legislation which pertained to members of the Texas oil and gas industry.

Most significantly, Representative Drew Darby, Chairman of the House Committee on Energy Resources, and Senator Troy Fraser, Chairman of the Senate Committee on Natural Resources and Economic Development, championed landmark preemption legislation, House Bill 40, that affirmed the state's exclusive jurisdiction over oil and natural gas development. This new law will provide much needed clarity regarding the rights and limitations of municipalities as it relates to oil and natural gas development. Most importantly, it will offer the regulatory certainty our industry requires in our day to day operations.

During the 140-days of session, TIPRO was able to successfully advocate on behalf of the state's independent producers and royalty owners on numerous legislative priorities, including measures related to local control, water conservation, tax relief, and transportation funding, to name a few. Since our inception nearly 70 years ago, TIPRO consistently provides policymakers with essential information that allows them to understand the impact of their decisions on the oil and gas industry. Our ongoing efforts have proven to be instrumental in helping to block onerous bills, promote beneficial legislation and ultimately create a regulatory environment that is conducive to economic growth and the responsible exploration and production of oil and natural gas. TIPRO helped commemorate the end of the 84th Legislative Session by hosting our inaugural Texas Energy Sine Die event. More than 600 people attended the event at the Stephen F. Austin Bar & Terrace to celebrate including TIPRO members, legislators and staff.

Looking ahead, we hope you will consider attending TIPRO's 69th Annual Summer Conference at the San Antonio Hyatt Hill Country Resort and Spa, August 6-8, 2105. We will have an excellent lineup of speakers to provide insight on the challenges and opportunities facing the Texas oil and gas industry, as well as ample opportunity for fun, socializing and golf.



Ed Longanecker

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Thank you for your continued support of TIPRO!



FINAL CALL FOR NOMINATIONS

Nominations are still being accepted for the 2015 Texas Top Producer awards, which recognize outstanding professionals in the Texas oil and gas industry. TIPRO strongly encourages all members to take an active role in this year's program by nominating a deserving colleague or peer.

If you believe a particular individual meets the criteria for Best CEO, Engineer, Landman or Geoscientist in the Texas industry, please submit your nomination(s) via the TIPRO website, at <http://tipro.org/about-us/ttp>. The deadline for nominations is tomorrow June 5, 2015.

This years nominees will be honored at an awards banquet held in Houston at the Petroleum Club on October 27th.

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JOIN TIPRO THIS AUGUST FOR THE ASSOCIATION'S ANNUAL SUMMER CONFERENCE & GOLF TOURNAMENT!

TIPRO's Summer Conference and Golf Tournament brings together independent producers, royalty owners, industry leaders, government officials and other oil and gas professionals, providing a platform to discuss current and future challenges facing the Texas E&P sector. TIPRO's summer meeting also provides several opportunities to meet and network with other members of the association and form new business connections.



This year, TIPRO will again host its Summer Conference & Golf Tournament at the Hyatt Hill Country Resort in San Antonio, Texas, on August 6-8. Nestled on 300 acres of the Rogers-Wiseman family ranch, this San Antonio hotel offers the charm of a Texas ranch house and the amenities of a luxury resort. Additional details on TIPRO's conference and a complete agenda will be released in the coming weeks.

HOTEL RESERVATIONS

As a top resort destination in Texas, the Hyatt Hill Country Resort rooms come at a premium during peak summer months. TIPRO members and their families can join us during our Conference and enjoy the discounted rate of \$196 for reservations made by July 16th. This rate is only available until the deadline or until the room block sells out. We encourage members and guests to reserve their rooms early to ensure the discounted rate and allow us time to request more rooms as needed.

You can call 210-647-1234 and request the TIPRO rate
or visit

<https://resweb.passkey.com/go/TIPRO2015>



For Online Conference Registration visit
<https://secure25.securewebsession.com/tipro.org/summer-conference>.
For Sponsorship Information or if you have any questions please
contact TIPRO at (512) 477-4452.



TIPRO'S SUMMER CONFERENCE

AUGUST 6-8, 2015

HYATT HILL COUNTRY RESORT
SAN ANTONIO, TEXAS

GENERAL SPONSOR PACKAGES

GOLD | \$6,000

Receive 3 complimentary meeting registrations, 1 complimentary golf registration and special recognition at the Chairman's Dinner.

SILVER | \$3,500

Receive 2 complimentary meeting registrations (does not include golf) and special recognition during the Keynote Luncheon.

BRONZE | \$2,000

Receive 1 complimentary meeting registration (does not include golf) and special recognition during the Keynote Luncheon.

GIVE-AWAY ITEM SPONSORSHIPS

Each sponsorship below includes 1 complimentary meeting registration badge and company logo printed on item that is to be distributed at the conference.*

T-SHIRT SPONSORSHIP | \$4,000

AMENITY SPONSOR | \$2,500

SPORT TOTE BAG SPONSOR | \$2,500

NOTEBOOK SPONSOR | \$2,500

LANYARD SPONSOR | \$2,500

TUMBLER WATER BOTTLE SPONSOR | \$2,500

PHONE CHARGER SPONSOR | \$2,500

OTHER SPONSORSHIP OPPORTUNITIES

HOSPITALITY SUITE SPONSOR | \$2,500

Receive 1 complimentary meeting registration and exclusive recognition in the hospitality suite.

AMENITY SPONSOR | \$2,500

Receive 1 complimentary meeting registration and company logo printed on notecard placed along with amenity in guest's hotel room.

To sign up to sponsor the TIPRO Summer Conference, please fill out and return the form on the following page.



2014 TOP SPONSORS

Apache

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HUGHES**


**BREITLING
ENERGY**


**Chesapeake
ENERGY**

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OIL CORPORATION

**LINN
Energy**

OIL&GAS JOURNAL


OXY

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NATURAL RESOURCES

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QUESTIONS? PLEASE CONTACT STEPHEN COFFMAN AT (512) 477-4452 OR EMAIL SCOFFMAN@TIPO.ORG

SPONSOR REGISTRATION FORM

SPONSORSHIP LEVELS

PLEASE CHECK DESIRED SPONSORSHIP CHOICE

- ☐ GOLD | \$ 6,000
☐ SILVER | \$ 3,500
☐ BRONZE | \$ 2,000

ADDITIONAL SPONSORSHIPS

PLEASE CHECK DESIRED SPONSORSHIP CHOICE

- | | |
|---|---|
| <input type="checkbox"/> T-SHIRT SPONSOR \$ 4,000 | <input type="checkbox"/> SPORT TOTE BAG SPONSOR \$2,500 |
| <input type="checkbox"/> HOSPITALITY SUITE SPONSOR \$ 2,500 | <input type="checkbox"/> NOTEBOOK SPONSOR \$ 2,500 |
| <input type="checkbox"/> AMENITY SPONSOR \$ 2,500 | <input type="checkbox"/> LANYARD SPONSOR \$ 2,500 |
| <input type="checkbox"/> TUMBLER SPONSOR \$ 2,500 | <input type="checkbox"/> PHONE CHARGER SPONSOR \$ 2,500 |

ATTENDEE INFORMATION

BADGE 1:

Name of Attendee: _____

Company: _____

Address: _____

City/State/Zip Code: _____

Phone: _____ Fax: _____

E-mail: _____



BADGE 2:

Name of Attendee: _____ Company: _____

Phone: _____ E-mail: _____

BADGE 3:

Name of Attendee: _____ Company: _____

Phone: _____ E-mail: _____

**Please note: Gold-level conference sponsors may reserve their complimentary golf registration via the form on the page that follows.*

PAYMENT INFORMATION

Sponsorship Level: _____ Sponsorship Total: _____

Payment Method: ☐ VISA ☐ MASTERCARD ☐ AMEX ☐ CHECK NO: _____

Print Name: _____ Company: _____

Billing Address: _____

Credit Card No.: _____ Exp. Date: _____

Signature: _____ CID: _____

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

Forms must be accompanied by payment.

TIPRO'S ANNUAL GOLF TOURNAMENT

DATE:

Saturday, August 8, 2015

TEE TIME:

7:30 a.m.

LOCATION:

Hyatt Hill Country Resort
San Antonio, Texas

FORMAT:

Four-Man Scramble

COMPETITIONS:

Hole-in-One Giveaway,
Longest Drive Contest,
Closest to the Pin, and
much more!

FOURSOME:

\$700

INDIVIDUAL:

\$200

QUESTIONS?

Contact TIPRO at
(512) 477-4452 or email
scoffman@tipro.org



GOLF SPONSORSHIPS:

19TH HOLE RECEPTION & AWARDS SPONSOR* | \$5,000

Receive 2 complimentary golf registrations, 1 complimentary meeting registration, company logo featured on tournament trophies, exclusive opportunity to present golf awards and company logo prominently displayed on all event signage.

GOLF HAT SPONSOR* | \$2,000

Receive 1 complimentary golf registration and company logo printed on golf tournament hat.

BEVERAGE CART SPONSOR (2 SPONSORSHIPS AVAILABLE) | \$1,500

Receive 1 complimentary golf registration and company logo featured on tournament beverage carts. Sponsors may use golf cart to interact with and hand out promotional items to tournament participants.

DIVOT TOOL & BALL MARKER SET SPONSOR* | \$1,500

Receive 1 complimentary golf registration and company logo printed on divot tool & ball marker set.

GOLF TOWEL SPONSOR* | \$1,500

Receive 1 complimentary golf registration and company logo featured on tournament golf towels.

KOOZIE SPONSOR* | \$1,000

Receive 1 complimentary golf registration and company logo featured on tournament golf koozies.

DRIVING RANGE SPONSOR* | \$750

Receive 1 complimentary golf registration and company logo displayed prominently on signage on driving range prior to tournament.

HOLE SPONSOR | \$500

Company logo displayed on signage, and opportunity to interact with tournament participants at assigned tee box.

*One sponsorship available

PARTICIPANTS:

Name:	Company:	Email Address:	Handicap:

PAYMENT:

Sponsorship: _____

Total: \$ _____

Method of payment (please check desired option):

☐ Check #_____, made payable to TIPRO

☐ Charge my: ☐ VISA ☐ MASTERCARD ☐ AMEX

Name

Company

Phone Number

Credit Card Number

Exp. Date

Billing Address

Security Code

Signature

Please return form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701 or fax to (512) 476-8070.
Forms must be accompanied by payment.

CONFERENCE REGISTRATION FORM

TIPRO is excited to again host its annual Summer Conference & Golf Tournament at the Hyatt Hill Country Resort in San Antonio, Texas, on August 6-8. Recognized as one of the best resorts in the state of Texas, we look forward to seeing you there for the association's summer meeting!



REGISTRATION FEES:

MEMBER FEES:

(Includes all conference sessions & meals)

- ☐ Member: \$395
- ☐ Spouse: \$245
- ☐ Dinner-Only Ticket: \$150

CHILDREN:

- ☐ 13-17 Years Old: \$100
- ☐ 12 Years Old - Under: Free

NON-MEMBER FEES:

(Includes all conference sessions & meals)

- ☐ Non-Member*: \$595
*Registration also includes 1 year regular TIPRO Membership
- ☐ Non-Member Spouse: \$295
- ☐ Dinner-Only Ticket: \$250

CHILDREN:

- ☐ 13-17 Years Old: \$100
- ☐ 12 Years Old - Under: Free



ATTENDEE INFORMATION:

Attendee Name: _____ Registered Spouse: _____

Company: _____

Address: _____

City/State/Zip Code: _____

Email Address: _____

Phone: _____ Fax: _____

Children's Names: _____

T-Shirt Size (please indicate shirt size for each registrant):

____ Youth Small ____ Youth Medium ____ Youth Large ____ Small ____ Medium ____ Large ____ XLarge ____ XXL Large

In order to help us plan our conference, below please confirm which events you will be attending by checking the corresponding box:

	Member/Non-member	Spouse	Child	Child	Child
Welcome Reception	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Breakfast	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Keynote Luncheon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chairman's Dinner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PAYMENT

Total: \$ _____

Method of payment (please check desired option):

- ☐ Check # _____, made payable to TIPRO
- ☐ Charge my: ☐ VISA ☐ MASTERCARD ☐ AMEX



Have special dietary needs or other considerations?
Please contact TIPRO staff
at (512) 477-4452.

Name

Company

Phone Number

Credit Card Number

Exp. Date

Billing Address

Security Code

Signature

*Registrations with shirt sizes must be submitted by July 24, 2015, to receive guaranteed size.
Please return form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701 or fax to (512) 476-8070.
Forms must be accompanied by payment. No refunds after July 31, 2015.*

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With more than 2,800 members, TIPRO is the nation's largest statewide association representing both independent producers and royalty owners. Our members include small family-owned companies, the largest publicly traded independents and large and small mineral estates and trusts.

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