



OIL & GAS INDUSTRY EXPANDS BY 3.4 PERCENT IN 1ST HALF OF 2014

THOUSANDS OF JOBS ADDED IN FIRST SIX MONTHS OF THE YEAR

Key Highlights

- The U.S. oil and gas industry employed 1,066,000 people as of June 2014.
- The oil and gas industry grew by over 35,000 jobs in the first six months of 2014, representing a 3.4 percent increase.
- Energy employment growth in the first half of the year was driven by support activities for oil and gas operations (+13,800 jobs), crude petroleum & natural gas extraction services (+7,900 jobs) and drilling of oil & gas wells (+4,600 jobs).
- Over the 18 month period examined, the oil and gas industry added 84,300 jobs from January 2013 to June 2014, a 8.6 percent increase, compared to 5.9 percent growth rate for the overall private sector.

According to new data from the U.S. Bureau of Labor Statistics (BLS), total U.S. oil and gas employment continues to rise after officially exceeding the 1 million employment mark last year. Thanks to the ongoing increase in domestic shale development, the U.S. oil and gas industry experienced the highest percentage increase in job creation from the Drilling Oil & Gas Wells sector (+21 percent) from January 2013 to June 2014, followed by an increase of 11 percent in Crude Petroleum & Natural Gas Liquid Extraction jobs.

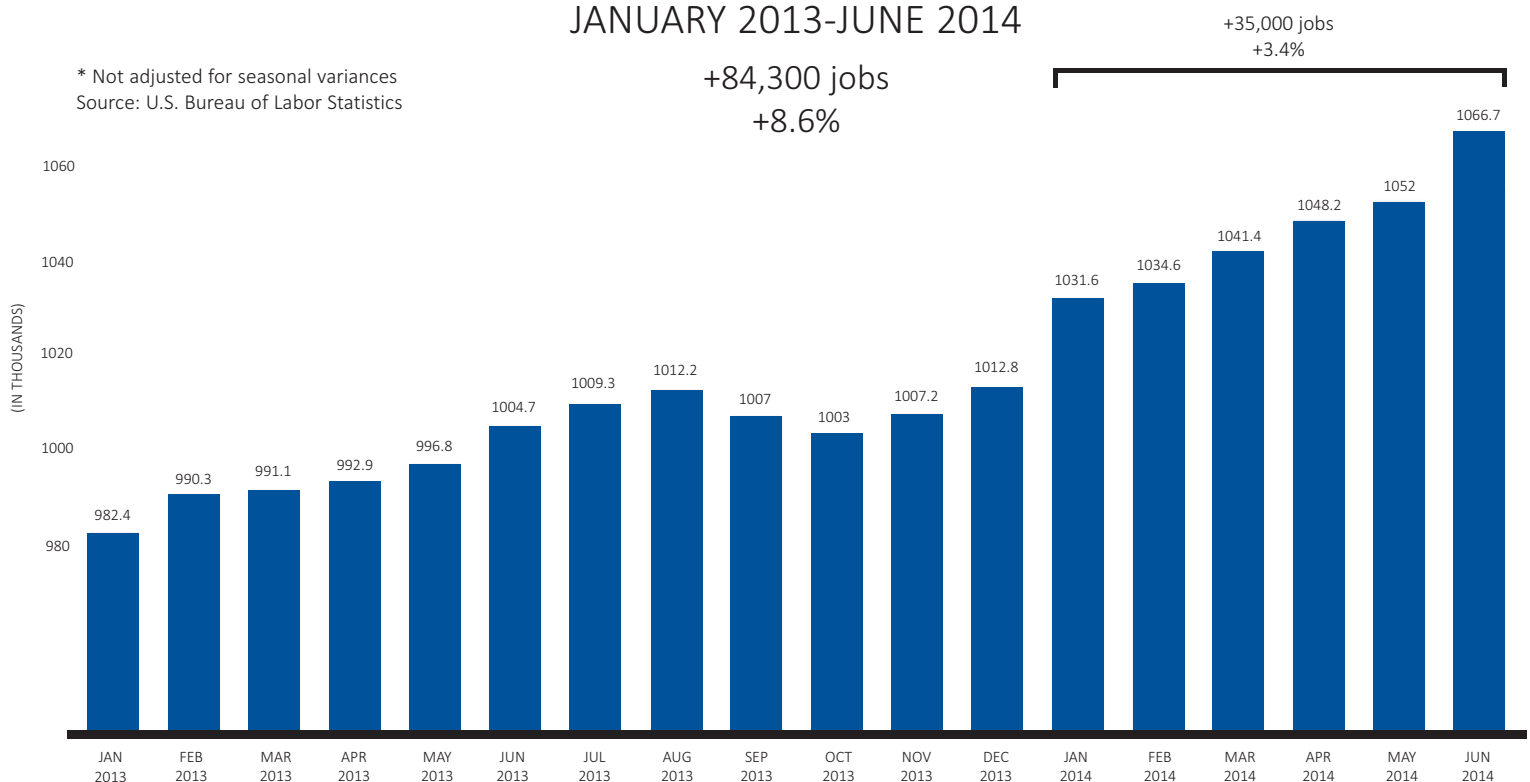
Continuing improvements in exploration and production methods, including innovations related to hydraulic fracturing and horizontal drilling, have further boosted U.S. production of oil and natural gas to near historic levels. High levels of E&P activity have not only spurred new job creation, but also have lead to a significant increase in state and federal taxes paid by industry, a decrease in oil imports and improved national security for our country.

As the leading producer of oil and natural gas, the state of Texas employs the most industry professionals in the nation.

U.S. OIL & GAS EMPLOYMENT TRENDS*

JANUARY 2013-JUNE 2014

* Not adjusted for seasonal variances
Source: U.S. Bureau of Labor Statistics



U.S. OIL & GAS EMPLOYMENT, JANUARY 2013-JUNE 2014

(IN THOUSANDS)

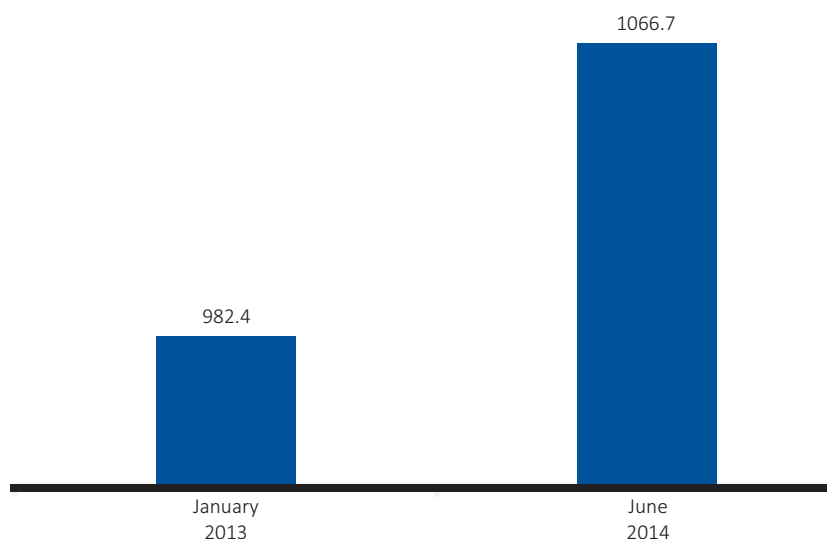
	<u>JAN</u> <u>2013</u>	<u>FEB</u> <u>2013</u>	<u>MAR</u> <u>2013</u>	<u>APR</u> <u>2013</u>	<u>MAY</u> <u>2013</u>	<u>JUN</u> <u>2013</u>	<u>JUL</u> <u>2013</u>	<u>AUG</u> <u>2013</u>	<u>SEP</u> <u>2013</u>	<u>OCT</u> <u>2013</u>	<u>NOV</u> <u>2013</u>	<u>DEC</u> <u>2013</u>	<u>JAN</u> <u>2014</u>	<u>FEB</u> <u>2014</u>	<u>MAR</u> <u>2014</u>	<u>APR</u> <u>2014</u>	<u>MAY</u> <u>2014</u>	<u>JUN</u> <u>2014</u>
Crude Petroleum & Natural Gas Liquid Extraction	192.3	193.0	193.0	194.0	195.0	197.3	199.7	201.2	199.9	200.3	202.6	204.3	205.0	206.9	206.2	207.1	209.6	212.9
Drilling Oil & Gas Wells	81.0	85.7	84.2	85.5	85.3	84.4	80.9	79.3	75.2	68.9	77.6	77.8	93.5	93.0	95.0	97.2	96.8	98.1
Support Activities, Oil and Gas Operations	286.5	288.7	290	289.9	292.8	296.4	301.0	304.7	304.5	307.1	299.6	302.4	301.9	302.6	307.6	310.2	310.6	315.7
National Gas Distribution	109.9	109.9	109.9	109.9	109.9	109.9	109.9	109.9	109.9	109.9	109.9	109.9	110.6	110.6	110.6	110.6	110.6	110.6
Petroleum Refineries	71.3	70.9	70.9	71.3	71.6	72.4	72.6	72.8	72.6	72.8	72.9	73.3	74.0	74.2	74.6	74.8	75.3	76.7
Petrochemical Manufacturing	24.2	24.2	24.2	24.1	24.2	24.5	24.6	24.6	24.4	24.2	24.2	24.6	24.3	24.6	24.6	24.5	24.9	25.3
Oil and Gas Field Machinery and Equipment	79.9	79.8	81.2	80.0	79.5	80.3	80.8	80.5	81.2	80.5	80.6	80.5	80.5	80.5	80.7	80.4	80.6	81.9
Petroleum Merchant Wholesalers	93.9	94.7	94.3	94.9	94.4	95.3	95.3	95.0	95.1	95.1	95.1	95.3	96.7	97.2	97.0	98.1	98.3	99.8
Pipeline Transportation	43.3	43.4	43.4	43.3	44.1	44.2	44.4	44.3	44.1	44.2	44.6	44.8	45.0	45.1	45.1	45.3	45.3	45.7
Total	982.4	990.3	991.1	992.9	996.8	1004.7	1009.3	1012.2	1007.0	1003.0	1007.2	1012.8	1031.6	1034.6	1041.4	1048.2	1052.0	1066.7

	PERCENT CHANGE JAN 2013- JUN 2014	NUMERIC CHANGE* JAN 2013- JUN 2014
Crude Petroleum & Natural Gas Liquid Extraction	10.7%	20.6
Drilling Oil & Gas Wells	21.1%	17.1
Support Activities, Oil and Gas Operations	10.2%	29.2
National Gas Distribution	0.6%	0.7
Petroleum Refineries	7.6%	5.4
Petrochemical Manufacturing	4.1%	1.0
Oil and Gas Field Machinery and Equipment	2.5%	2.0
Petroleum Merchant Wholesalers	6.3%	5.9
Pipeline Transportation	5.5%	2.4
Total	8.6%	84.3
*IN THOUSANDS		

U.S. OIL & GAS EMPLOYMENT

JANUARY 2013-JUNE 2014

(IN THOUSANDS)



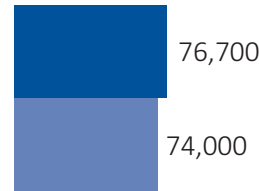
INDUSTRY SPOTLIGHT: EMPLOYMENT GROWTH BY SECTOR

JANUARY 2014 vs. JUNE 2014

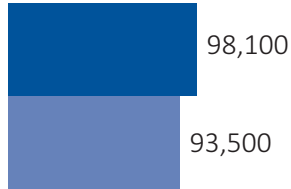
CRUDE PETROLEUM & NATURAL GAS EXTRACTION



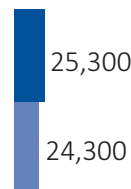
PETROLEUM REFINERIES



DRILLING OIL & GAS WELLS



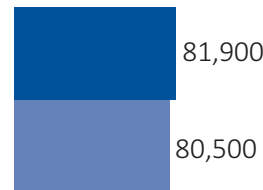
PETROCHEMICAL MANUFACTURING



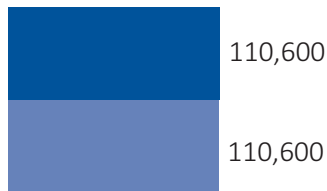
SUPPORT ACTIVITIES, OIL AND GAS OPERATIONS



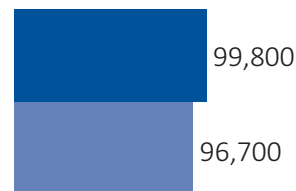
OIL AND GAS FIELD MACHINERY AND EQUIPMENT



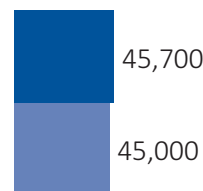
NATURAL GAS DISTRIBUTION



PETROLEUM MERCHANT WHOLESALERS



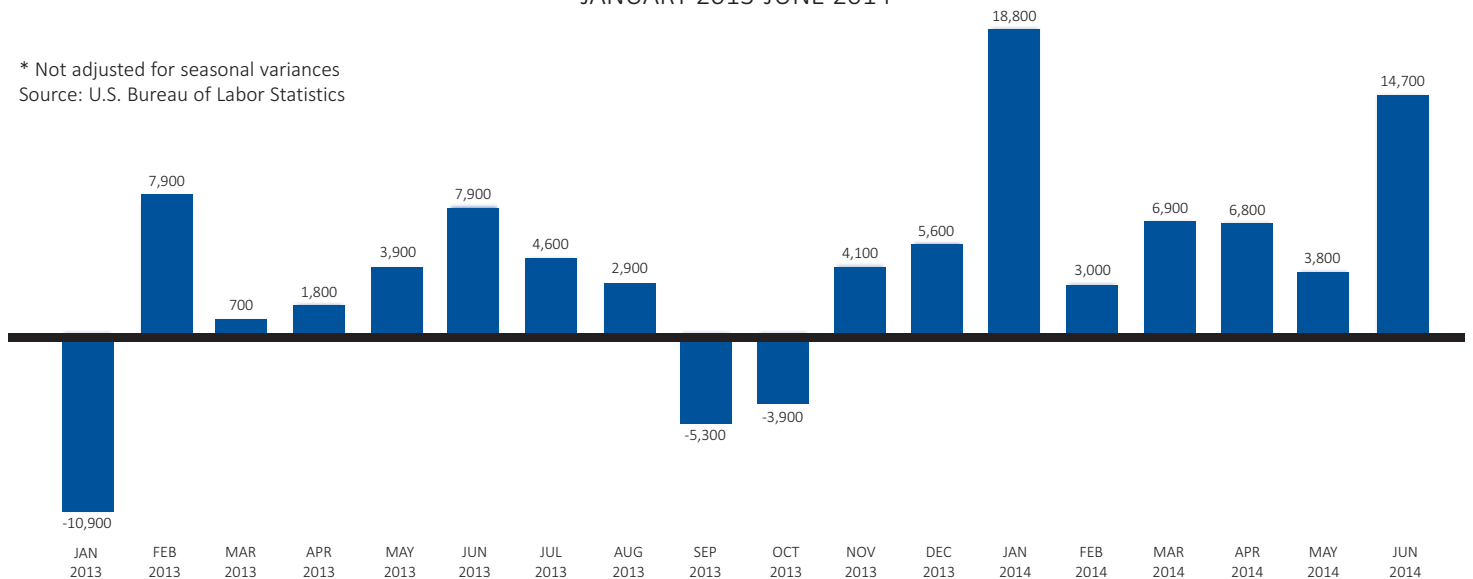
PIPELINE TRANSPORTATION



CHANGES IN OIL & GAS EMPLOYMENT FROM PREVIOUS MONTH*

JANUARY 2013-JUNE 2014

* Not adjusted for seasonal variances
Source: U.S. Bureau of Labor Statistics



Methodology

All data in this report is derived from the U.S. Bureau of Labor Statistics (BLS). The data from this source provides the most comprehensive source of industry data available. Data are rounded throughout the report for ease of use.

DEFINITION OF THE OIL AND GAS INDUSTRY:

NAICS CODES-	SECTOR-
211111	Crude Petroleum & Natural Gas Extraction
211112	Natural Gas Liquid Extraction
213111	Drilling Oil & Gas Wells
213112	Support Activities, Oil and Gas Operations
2212	Natural Gas Distribution
32411	Petroleum Refineries
32511	Petrochemical Manufacturing
333132	Oil and Gas Field Machinery and Equipment
4247	Petroleum Merchant Wholesalers
486	Pipeline Transportation
10	Private Sector

TIPRO Reports

Throughout the year, TIPRO compiles and produces regular reports covering relevant areas of research and analysis related to the oil and gas industry.

Previous reports include:

- TIPRO's 2014 State of Energy Report
- TIPRO Employment & Establishments Report for Q1 2014
- TIPRO Energy Report: Oil & Gas Employment Trends
- TIPRO's 2013 Legislative Report

Copies of these reports are available online through TIPRO's website at www.tipro.org.

About TIPRO

The Texas Independent Producers & Royalty Owners Association (TIPRO) is a trade association representing the interests of over 2,800 independent oil and natural gas producers and royalty owners throughout Texas.

As one of the nation's largest statewide associations representing both independent producers and royalty owners, members include small businesses, the largest, publicly-traded independent producers, and mineral owners, estates, and trusts.

Members of TIPRO are responsible for producing more than 85 percent of the natural gas and 70 percent of the oil within Texas, and own mineral interests in millions of acres across the state.