



President Biden signs Congressional resolution reinstating Obama-era methane rules for oil and gas wells

Texas Independent Producers and Royalty Owners Association

The federal government will reinstate 2016 methane regulations on the oil and natural gas industry, after U.S. President Joe Biden at the end of June signed into law a legislative resolution approved recently by Congress targeting methane reductions from the energy sector. Senate Joint Resolution 14, signed by President Biden on June 30, invalidates the Trump Administration’s 2020 Methane Rescission Rule, action which will lead to the restoration of the 2012 and 2016 Oil and Natural Gas New Source Performance Standards (NSPS) previously implemented by the Obama Administration that imposed unnecessary and expensive restrictions on the nation’s oil and gas industry. The resolution relies on the Congressional Review Act to achieve the regulatory reversal, a formal policy which otherwise provides the nation’s legislative branch with the power to review and, if necessary, disapprove of certain federal regulations put in place by a previous administration.

Senate Joint Resolution 14 was approved by members of the U.S. House of Representatives on June 25th in a 229-191 vote, after having first been passed by the Senate in late April. In remarks delivered on the House Floor during consideration of the bill, House Energy and Commerce Chairman Frank Pallone, Jr. (D-New Jersey) said the vote to restore robust Clean Air Act pollution standards would “clear a path for stronger protections in the future.”

Minority leader of the House Energy and Commerce Committee Cathy McMorris Rodgers (R-Washington), however, described the resolution as “another attack on the hard-working American men and women that supply energy.” Congresswoman McMorris Rodgers stated, “Don’t be mistaken – this is an attack on American energy security. Reducing methane emissions is a priority for all of us, for the oil and the natural gas industry, and thanks to innovation and industry action, the United States methane emissions rates in the largest producing regions have declined 70 percent in the last decade, even as our domestic production is surging. The United States is the world’s leading producer of oil and natural gas.”

Other lawmakers also have articulated concerns over the resolution’s impact on innovation that has otherwise enabled greater emission reductions across U.S. industries. “Innovation is the ultimate answer to cutting emissions. We cannot afford to stifle advancement. As a nation, we cannot regulate our way to a cleaner environment. Most importantly, new methane regulations are duplicative of existing federal and state regulations under the Clean Air Act for volatile organic compounds, known as VOCs,” said U.S. Representative John Joyce (R-Pennsylvania). “The EPA determined in an earlier rulemaking that ‘rescinding the methane limits will not actually change the amount of methane emissions reductions.’ This resolution is not about methane emissions or climate change. The truth is that we already regulate methane. The EPA and the states have strong standards in place for VOCs and methane.”

On behalf of its members, the Texas Independent Producers & Royalty Owners Association (TIPRO) remains engaged in all aspects of this regulatory shift by the federal government. “Since the EPA updated its NSPS and permitting rules in 2016 for new, reconstructed and modified oil and gas sources, TIPRO has advocated against provisions that would have a disproportionate impact on smaller U.S. oil and natural gas producers,” commented Ed Longanecker, president of TIPRO.

In addition to closely tracking developments associated with Senate Joint Resolution 14, TIPRO also is closely following efforts by the EPA to promulgate additional emission standards and a new rule package expanding methane emission regulations and reporting requirements for the oil and gas industry. During the last week of June, the association participated in discussions with the EPA on its anticipated rulemaking relating to the Oil and Natural Gas Sector NSPS, expected to be proposed later this year.



OPEC+ deal breaks down at July meeting, leading crude oil prices to rise

Members of the Organization of the Petroleum Exporting Countries (OPEC), Russia and other major oil producers failed to reach an agreement on proposed increases to the group’s oil production levels, interrupting plans for the oil cartel to expand its crude output. Talks between energy delegates from OPEC Plus began on July 1, and though sessions continued for several days, ultimately a deal was not able to be reached amongst OPEC Plus producers. Disputes were specifically reported between Saudi Arabia and the United Arab Emirates over how much oil production should be allowed to rise. After the breakdown in talks, OPEC Plus has not yet set a date to meet again to discuss production levels, OPEC Secretary General Mohammad Sanusi Barkindo said.

Analysts have suggested that the situation could leave the global oil market with tightened supplies, as OPEC Plus continues without an increase in its production until a new meeting between members can be arranged. Meanwhile, energy demands are still growing as nations recover from the coronavirus (COVID-19) pandemic, leading oil prices in early July to jump to their highest levels since 2014.

Chairman's message

Dear members,

As I reported last month, TIPRO staff has been working diligently to fight the proposed punitive tax treatment on our industry by the powers that currently control Washington. Even though the energy sector has an all-in effective tax rate higher than nearly every other industry (41 percent), our elected majority still wants to go after certain tax provisions that have been around over 100 years. TIPRO's leadership has been effectively addressing the concerns of our membership over these policy matters to our representatives, most recently meeting with Texas Congressman Henry Cuellar to review the critical importance of maintaining deductions like percentage depletion and intangible drilling costs (IDCs) in the U.S. tax code, as well as using such discussions to also highlight other priorities for independent producers and royalty owners. Congressman Cuellar again was very responsive to the industry and understands the issues at hand. In the months ahead, TIPRO will continue to set up meetings with other Democratic Congressional members from energy-producing states to inform them about the importance of oil and gas development, although the reality is we need the help of our 3,000+ members on this effort as well. Elected officials need to hear from their constituents. This is important enough for TIPRO members to pick up the phone and have their voices heard. We need every member's help fighting this completely unjustified attack on our businesses. Please reach out if you need the contact information for your representative and TIPRO will point you in the right direction. Let your voices be heard -- it makes a difference.

Most of the onerous policies targeting our industry at the federal level are being perpetuated using fear of impending doom for our planet as justification, a familiar strategy also pushed by anti-fossil fuel activists. The reality is that domestic oil and gas producers have made tremendous progress in reducing emissions and improving operations throughout the value chain from an environmental perspective. As an example, action taken by U.S. producers has resulted in a 23 percent reduction in methane emissions since 1990, even as natural gas production reached record levels. Regardless of the successful efforts, it's not surprising that we never receive any recognition from many of the same individuals advancing policies intended to dismantle our industry.

Further, carbon dioxide (CO₂) continues to be demonized by these same groups. After being classified as a pollutant greenhouse gas during the Obama Administration, the molecule has been tried and convicted without sufficient evidence. Let's address for a change some of the good things associated with the increase of CO₂ in the atmosphere from its dangerously low values at the end of the last ice age (182 PPM).

CO₂ is responsible for the greening of the planet. Since 1982, 20 percent of the Earth's surface has become greener while only 3 percent has become browner. CO₂ levels in the atmosphere currently (+/- 400 PPM) are low, and for the last 500 million years, Earth's CO₂ levels were four to five times higher.

If CO₂ levels increase by another 300 PPM (to the 700 PPM range), we would experience a 46 percent increase in plant growth (higher crop yields). Greenhouses like to have CO₂ levels in the 1,000 PPM range. The higher the CO₂ level, the less water plants need to thrive. They lose less moisture through transpiration and therefore become more drought resistant, and the soil moisture increases.

CO₂ levels in the atmosphere historically respond to Earth's temperature changes, they don't cause them. Over 120 climate models have failed, primarily because of their erroneous methods forcing the effects of CO₂ on the temperature.

Otherwise, on the state level, reforms for the Texas power grid also remain in focus, as leaders continue to take action to ensure electric reliability. In one of my previous letters to the members of TIPRO, I explained that once our peak demand exceeds our dispatchable capacity, power losses are inevitable. I never expected it to come true so fast. Our first blackouts of the summer have already become a reality and I predict more in the future. ERCOT is looking at peak demand being over 77,000 MWh and our dispatchable capacity is slightly under 71,000 MWh. No amount of weatherization is going to keep the lights on this summer... What these data suggest is the need for more – not less – natural gas supply to meet growing, and at times unexpected, demand. Meanwhile, a rising number of cities across the country are seeking to restrict or ban natural gas hookups in new buildings and construction. TIPRO successfully supported legislation, House Bill 17, this session that preempts local measures from restricting or banning utility service based on the type or source of energy, preserving customer choice and allowing Texans to decide how to meet their own energy needs. And Texas isn't alone. Another 20 states have adopted similar legislation or are advancing similar measures to protect consumer choice, and more will certainly follow.

As usual, the opinions expressed above are my own and not necessarily the opinions of TIPRO. Kind regards,

Brent Hopkins

Stop and see TIPRO at the DUG Permian & Eagle Ford Conference & Exhibition

The DUG Permian and Eagle Ford Conference & Exhibition returns to its original in-person format next week, July 12-14, 2021, at the Fort Worth Convention Center! At the event, be sure to take time to visit the Texas Independent Producers & Royalty Owners Association (TIPRO) at Booth #234. The DUG conference series offers thoughtful leadership, best practices and innovative solutions for the oil and gas industry. Speakers and exhibitors review and discuss strategies that can be applied in real-time for effective results. No other shale-focused event connects such a diverse group of key players and decision-makers. Learn more at: <https://dugpermian.live/2021>.

TIPRO CALENDAR OF EVENTS

<p>JULY 12-14, 2021 FORT WORTH — Hart Energy's DUG Permian & Eagle Ford Conference and Expo. For information, call (713) 260-6400.</p>	<p>JULY 15-17, 2021 HOUSTON — 2021 NARO Texas & New Mexico Convention. For information, please email jfleet@naro-us.org.</p>	<p>AUGUST 3-4, 2021 SAN ANGELO — 17th Annual West Texas Legislative Summit. For information, please email tricia@sanangelo.org.</p>
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Railroad Commission approves *Oil and Gas Monitoring and Enforcement Plan for FY 2022*

Over the summer, leaders of the Railroad Commission of Texas approved the agency's *Oil and Gas Monitoring and Enforcement Plan for Fiscal Year 2022*, establishing strategic priorities for the commission in support of its mission to oversee the oil and gas industry and ensure protection of public safety and the environment. Among the goals that the commission has set forth in the updated plan are the continued upgrade and modernization of the agency's computing systems away from a legacy mainframe to cloud-based software that utilizes tools to improve reporting and efficiencies. For the coming fiscal year, the commission also noted its intent to continue improving training for oil and gas staff, in addition to leveraging virtual opportunities to expand education to its regulated community. The Railroad Commission indicates its desire to provide additional in-person training in Fiscal Year 2022, including the commission's annual regulatory conference in Austin, regulatory forums around the state, and presentations at industry events.

"The commission's oil and gas staff deserves praise for their exemplary performance and hard work, despite recent challenges," said Wei Wang, executive director of the Railroad Commission. "However, we always strive for even bigger successes, and the *Oil and Gas Monitoring and Enforcement Plan* provides a pathway for us to do just that."

The agency's *Monitoring and Enforcement Plan* for the next fiscal year will take effect on September 1, 2021. Download the commission's *Fiscal Year 2022 Oil and Gas Monitoring and Enforcement Plan* in its entirety at <https://bit.ly/3x9SgQi>.

Railroad Commission to host oil and gas regulatory webinars this Summer

The Texas Railroad Commission has announced it will host a series of free regulatory webinars later this Summer to inform energy industry representatives and oil and gas workers on applicable laws, rules and procedures for hydrocarbon production in Texas. The webinars will be offered by the commission from July 20 - September 2, 2021, and will cover a variety of topics, including: acreage designation; completions filings for oil, gas and underground injection control; drilling permitting; groundwater protection determinations; inactive wells; oil and gas waste stream management requirements; production reporting and commingle permit applications; production sharing agreement and allocation wells; underground injection control permitting, testing, and monitoring requirements; and other important regulatory topics.

Of note, as part of its upcoming webinar series, the commission will host a session on Thursday, August 5th covering requirements of Statewide Rule 32 regarding the venting and flaring of casinghead and gas well gas. Discussion topics during the presentation will include authorized flaring and venting and exemptions to the rule, as well as exceptions to the rule. The new online filing system will also be discussed.

To view the Railroad Commission's complete webinar schedule and register to participate, visit: <https://bit.ly/3y4TSeu>.

TxDOT works on annual updates for its 10-year plan, the Unified Transportation Program

The Texas Department of Transportation (TxDOT) is working to update the state's 10-year transportation plan, known as the Unified Transportation Program (UTP), that is used by government leaders to guide transportation project development across Texas. The UTP, updated annually by the Texas Transportation Commission in accordance with Texas Administrative Code (TAC §16.105), determines transportation system funding distribution strategy, and influences how TxDOT invests its resources for the construction of highway projects, roads and other essential transportation infrastructure.

Before the UTP is approved by transportation officials each year, stakeholders, members of the public and transportation partners are encouraged to offer feedback on projects under consideration for inclusion in the next UTP. As part of the 2022 UTP public involvement, TxDOT has announced it will this summer conduct a public meeting and a public hearing. The first public meeting was held virtually on July 7, and another public hearing is scheduled to take place on August 2, 2021. Additionally, the 2022 UTP public comment period is planned to begin on July 9, 2021, and continue through Monday, August 9, 2021.

TIPRO members interested in learning more about the state's 10-year transportation plan, and desiring to submit comments on the 2022 UTP are encouraged to visit <https://bit.ly/3ABJ7SC> for more information.

EPA to hold public workshop on methane detection technologies in August

Next month, the U.S. Environmental Protection Agency (EPA) will host a virtual public workshop discussing innovative technologies that can be used to detect methane emissions from the oil and natural gas industry. The workshop, planned for August 23-24, is part of the EPA's broad public outreach effort to gather stakeholder input on reducing methane and other harmful pollutants from new and existing sources in the oil and natural gas industry, ahead of a planned rulemaking on this issue anticipated to be proposed later this year. As directed by President Biden's executive order, "Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis," the EPA is considering strengthening existing requirements for new, modified and reconstructed oil and gas sources, and proposing new requirements to reduce methane pollution from existing oil and gas sources nationwide. Before this regulatory action, federal regulators have been soliciting public input, and using engagement opportunities including this workshop, to collect perspective that will be used to shape future industry rules.

According to the EPA, the August virtual workshop will focus on methane-sensing technologies that are not currently approved for use in EPA's New Source Performance Standards for the oil and natural gas industry, and how those applications could be applied in the oil and gas sector. The agency is seeking presenters for the workshop who have used or evaluated these technologies to identify methane leaks. In addition, the EPA will provide technology vendors the opportunity to present their technology to the public as part of the workshop through a virtual "exhibit hall" that focuses on technology capability, applicability and data quality.

To submit a presentation abstract, or find additional registration information for the workshop, visit: <https://bit.ly/3AxZ9x1>. Please note that abstracts are due by July 16, 2021. Registration to attend the workshop closes on August 18, 2021.

REGISTER TODAY FOR THE

2021 TIPRO Summer Conference!



On September 1-2, TIPRO looks forward to bringing together members of the association for the 2021 TIPRO Summer Conference, an in-person event to be held at the Hyatt Hill Country Resort in San Antonio. The TIPRO Conference will offer members an opportunity to reconnect, network and learn about the latest policy and regulatory changes impacting Texas independent producers and royalty owners. During the meeting, TIPRO also will commemorate its 75th anniversary and celebrate its many years of service to the Texas oil and natural gas industry. Please consider reserving your seat today for the 2021 TIPRO Summer Conference!

CONFERENCE AGENDA

Wednesday, September 1, 2021

- 1:30 p.m. Audit Committee Meeting
- 3:00 p.m. TIPRO Board Meeting
- 5:30 p.m. Welcome Reception & Live Music

Thursday, September 2, 2021

- 8:00 a.m. Breakfast & Networking Hour
- 9:00 a.m. Welcome & Sponsor Recognition
TIPRO 75th Anniversary House Resolution 1311
- 10:00 a.m. Keynote Speaker
- 11:00 a.m. State Legislative Update
TIPRO Hat's Off Award
- Noon Networking Lunch
- 1:15 p.m. TIPRO Excellence in Advocacy Award
- 1:30 p.m. Federal Energy Policy Update
- 2:00 p.m. TIPRO Past Chairmen Panel
- 6:30 p.m. Reception & Chairman's Dinner
Mr. TIPRO Award
- 7:30 p.m. Casino Night & Prizes

The TIPRO Conference will include a special panel of past chairmen of TIPRO, who together will highlight those that have influenced the evolution of the industry in Texas and discuss some of the current priorities facing operators and mineral owners in the Lone Star State today. Past chairmen participating in the panel include:



Eugene Garcia,
Hurd Enterprises



Allen Gilmer,
Enverus



Raymond Welder,
Welder XP



David Martineau,
Martineau Petroleum



Steve Castle,
Cowboys Resources



Tad Mayfield,
Goldston Oil



Scott Anderson,
Anderson Oil



Joe Abel,
M.D. Abel



TIPRO is proud to partner again with the Hyatt Hill Country Resort for our 75th anniversary celebration. Reserve your room today by calling (210) 647-1234 and asking for the TIPRO group rate of \$207. The association's rate includes all resort fees. The hotel deadline for the group discount is August 10, 2021. Visit hyatt.com to learn about the hotel amenities, spa services and golf packages.

2021 CONFERENCE REGISTRATION



REGISTRATION FEES:

MEMBER FEES:

(Includes all conference sessions and meals)

- Member: \$450
- Spouse: \$275
- Dinner-Only Ticket: \$150

CHILDREN:

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

NON-MEMBER FEES:

(Includes all conference sessions and meals)

- Non-Member*: \$650
*Registration also includes 1 year regular TIPRO membership
- Non-Member Spouse: \$325
- Dinner-Only Ticket: \$250

CHILDREN:

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

Interested in playing a round of golf with other members of TIPRO? Please check the box to be contacted and paired up to play golf at the Hyatt Hill Country's golf course on Friday, September 3.

ATTENDEE INFORMATION:

Attendee Name: _____ Registered Spouse: _____

Company: _____

Address: _____

Email Address: _____

Phone: _____ Fax: _____

Children's Names: _____

In order to help us plan our conference, below please confirm which events all registered guests 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"/>
Networking 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

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. In order to receive a refund, TIPRO must be notified of your cancellation no later than August 20, 2021.

SIGN UP TO SPONSOR

TIPRO'S SUMMER CONFERENCE

HYATT HILL COUNTRY RESORT

SAN ANTONIO, TEXAS

SEPTEMBER 1-2, 2021



GENERAL SPONSOR PACKAGES

GOLD | \$6,000

Receive 4 complimentary meeting registrations, full page ad in the Event Program and a 1/2 page ad in The TIPRO Target

SILVER | \$3,500

Receive 2 complimentary meeting registrations, 1/2 page ad in the Event Program and a 1/2 page ad in The TIPRO Target

BRONZE | \$2,000

Receive 1 complimentary meeting registration, 1/4 page ad in the Event Program and a 1/4 page ad in The TIPRO Target

REGISTRATION SPONSORSHIPS:

Each sponsorship below includes 1 complimentary meeting registration, a 1/4 page ad in the event program and company logo printed on item selected. Registration table space for handouts.*

TOTE BAG SPONSOR | \$2,500

TUMBLER SPONSOR | \$2,500 *SOLD OUT*

LANYARD SPONSOR | \$1,500

EXCLUSIVE SPONSORSHIPS:

Each sponsorship below includes 1 complimentary meeting registration, a 1/4 page ad in the event program and unique branding described below.

HOSPITALITY SUITE SPONSOR | \$2,500

Exclusive recognition in the hospitality suite and printed in program.

AMENITY SPONSOR | \$2,000

Company logo & message printed on notecard placed along with amenity in guest's hotel room.

CASINO GIVEAWAY SPONSOR | \$2,000

Company logo & message included in a custom giveaway basket.

2021 CONFERENCE SPONSORS:

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the
human energy
company

DIAMONDBACK
Energy

HART ENERGY
MEDIA | RESEARCH | DATA

 HURD ENTERPRISES, LTD.

 **LONE STAR**
PRODUCTION COMPANY

 **M.D. ABEL CO.**

 **OIL & GAS
JOURNAL**

PIONEER
NATURAL RESOURCES

 **WM**
ENERGY SERVICES

OTHER SPONSORSHIP OPPORTUNITIES

Don't see a package that fits your budget or want to pick your giveaway?

Contact Joanne Reynolds at
(512) 477-4452 or email joanne@tipro.org

2021 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

- HOSPITALITY SUITE SPONSOR | \$ 2,500
- TOTE BAG SPONSOR | \$ 2,500
- TUMBLER SPONSOR | \$ 2,500 *SOLD OUT*
- AMENITY SPONSOR | \$ 2,000
- CASINO NIGHT SPONSOR \$ 2,000
- LANYARD SPONSOR | \$ 1,500

ATTENDEE INFORMATION

BADGE 1:

Name of Attendee: _____
Company: _____
Address: _____
City/State/Zip Code: _____
Phone: _____ E-mail: _____



BADGE 2:

Name of Attendee: _____ Company: _____
Phone: _____ E-mail: _____

BADGE 3:

Name of Attendee: _____ Company: _____
Phone: _____ E-mail: _____

BADGE 4:

Name of Attendee: _____ Company: _____
Phone: _____ E-mail: _____

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.

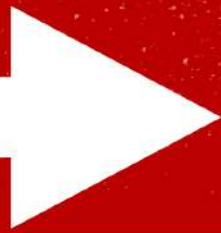
Forms must be accompanied by payment.



17th Annual

WEST TEXAS LEGISLATIVE SUMMIT

AUGUST 3-4, 2021



**TUESDAY
AUGUST 3**

RECEPTION & DINNER
THE CACTUS HOTEL
36 E. TWOHIG AVE
6:00 P.M. - 9:00 P.M.

Honorary CO-HOSTS

CONGRESSMAN AUGUST PFLUGER
SENATOR CHARLES PERRY
STATE REPRESENTATIVE DREW DARBY

**WEDNESDAY
AUGUST 4**

LEGISLATIVE SUMMIT
CJ DAVIDSON CENTER
ANGELO STATE UNIVERSITY
7:30 A.M. - 4:00 P.M.



Presented By:

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Register Online:

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Texas Independent Producers & Royalty Owners Association

With nearly 3,000 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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