



**Texas
Independent
Producers and
Royalty Owners
Association**

results on the issues that really matter to their communities. The House feels very good about where we ended up, and now we look forward to returning home and visiting with our constituents about the work of this year's session." Lieutenant Governor Dan Patrick also extended praise to the Senate for the upper-chamber's hard work this session, saying, "I am very proud of what we were able to accomplish in the 140 days of this legislative session."

As members of the state legislature wrapped up their work in Austin, Texas Railroad Commission (RRC) Chairman Christi Craddick expressed her appreciation to state lawmakers for agreeing this session to increase funding for the state's primary oil and gas regulatory agency. For the 2018-19 Biennium, the RRC will receive funding to support additional staff inspectors and IT program upgrades. "During this time of incredible growth within the Texas oil and gas industry, it is critical that the RRC has the funds necessary to continue to regulate such a dynamic and foundational segment of our state's economy," Chairman Craddick said. "Oil and gas production generates billions of dollars in revenue for the state, providing funding for critical services in our communities and opportunities supporting our state's bright future. Our state's energy success is driven not only by Texas' vast mineral wealth, but by the regulatory leadership of the RRC. We at the commission are proud of the work we do to ensure the protection of all Texans and our environment while allowing the energy industry to safely innovate and thrive." The RRC also enjoyed other legislative successes this year, with the passage of House Bill 1818, for instance, that continues the agency until 2029.

With regard to some of the other issues TIPRO worked on during the final days of session, a brief update can be found below.

- HB 1643 by Springer/Seliger was passed, relating to the prosecution of the criminal offense of operation of an unmanned aircraft over certain facilities. After accepting an amendment to this bill, the legislature sent HB 1643 to the governor on May 30, 2017.
- HB 2377 by Larson/Perry, relating to the development of brackish groundwater, also was successfully passed by the legislature. The bill was sent to the governor on May 30, 2017.
- SB 26 by Estes/Landgraf - the Texas Emissions Reduction Plan reform bill - died on the House floor last week but was amended in the Senate to SB 1731 by Birdwell/Meyer. A substantial amount of SB 26 was added to the bill and approved in the conference committee report. SB 1731 was sent to the governor on May 30.

It is still possible that Governor Greg Abbott could call a special legislative session. During a special session, lawmakers only can take up legislative proposals related to the governor's agenda.

VERY LARGE CRUDE CARRIER DOCKS AT OXY INGLESIDE ENERGY CENTER IN PORT CORPUS CHRISTI



Measuring the length of nearly four football fields, the largest oil tanker ever to call on a port in the Gulf of Mexico safely docked on Friday, May 26th at the Oxy Ingleside Energy Center in the Port of Corpus Christi. The ship, classified as a Very Large Crude Carrier (VLCC), is a massive 1,093-foot-long vessel capable of holding over 2 million barrels of oil.

Vicki Hollub, president and chief executive officer of Occidental Petroleum, said, "We believe the Oxy Ingleside Energy Center is the premier crude oil export terminal in the United States. Permian Basin crude is being exported Asia, Europe and elsewhere around the world, and Occidental's export facility is well positioned to serve the Permian, which is the largest and fastest-growing basin in the U.S." Hollub, a former TIPRO board member, added, "The arrival of the VLCC at our terminal continues to build on our position as the Permian's largest oil producer, enabling us to load the largest ships with our crude and the crude of other producers."

PRESIDENT'S MESSAGE

TIPRO Members,

This past Monday, May 29, the Texas 85th Legislature adjourned Sine Die, bringing the state's 2017 regular legislative session to a close. This year's legislative session certainly had no shortage of drama at the capitol, though I'm happy to report the successful passage of many bills important to TIPRO members and our industry. Just last week, Texas Governor Greg Abbott signed House Bill 1818, TIPRO's highest priority this legislative session, providing for the continuation of the Railroad Commission of Texas for the next 12 years. Known as the Railroad Commission Sunset bill, this piece of legislation will provide regulatory certainty for the Texas oil and gas industry as well as further strengthen oversight of energy development in the Lone Star State. The leadership of Governor Abbott, the Texas Legislature and the Railroad Commission on House Bill 1818 once again illustrates how state regulators and policymakers are best equipped to adopt sensible, yet progressive regulations for the protection of the environment, the benefit of Texas citizens, and the responsible development of oil and natural gas resources.

During the 2017 legislative session, the state budget was also of primary concern, as lawmakers debated over whether to withdraw revenue from Texas' Economic Stabilization Fund, otherwise known as the Rainy Day Fund. After two very unique proposals passed in each chamber, state leaders eventually resolved differences over Senate Bill 1, the state's appropriations bill, and over the weekend signed the final paperwork to finance a responsible state budget for the next two years. TIPRO worked hard this session to ensure that the legislature not only pass a budget that will meet the state's essential needs, but also appropriate the proper funds for our state regulatory agencies, including the Railroad Commission. Ultimately, legislators agreed to allocate \$128.3 million to the Railroad Commission for Fiscal Year 2018, and \$88.1 million for Fiscal Year 2019. For comparison, last session, \$79.7 million in funding was allocated to the commission for Fiscal Year 2016, and \$78.8 million provided to the Railroad Commission for Fiscal Year 2017.

The 85th Texas Legislature also passed other critical bills relating to the TexNet seismic monitoring program, new limitations for operating unmanned aircraft (such as drones) over certain facilities like oil and gas well pads, and the establishment of a new offense under Chapter 31 of the state Penal Code for the theft of petroleum products or oil and gas equipment. TIPRO also was pleased that the Texas Legislature passed Senate Concurrent Resolution 26, which urges Congress to review federal regulations on the oil and gas industry. As members of our association are well aware, during the past eight years, the federal government continuously promulgated regulations that threatened the success of the Texas oil and gas industry, the jobs we create, and the revenue streams we supply to the state. As detailed under SCR 26, with a new administration now in place in Washington, D.C., there is a unique opportunity for Texas to work with the leadership of the federal government to transcend partisan politics and correct misuses of federal regulatory power by identifying onerous federal regulations finalized in the last eight years that should be revised, delegated to state agencies, or eliminated in order to ease the overly burdensome regulatory patchwork on the oil and gas industry in Texas.

In the coming days, TIPRO will publish our association's *End-of-Session State Legislative Report*, which will provide a comprehensive summary on the outcome this session of legislation of significance to independent producers and royalty owners in the state of Texas.

Many thanks you to our excellent TIPRO staff, engaged members and partners for their work this year. For 71 years, and 36 Texas legislative sessions, TIPRO has remained committed to effectively advocating for our members and industry. Thank you for your continued support.

Regards,

Ed Longanecker



Ed Longanecker

OPEC AGREES TO EXTEND PRODUCTION CUTS UNTIL 2018

Leaders of the Organization of the Petroleum Exporting Countries (OPEC) have decided to extend cuts to the group's oil production output by another nine months, in hopes of alleviating pressures on oil prices from the oversupplied market. OPEC delegates made the announcement after meeting in Vienna, Austria, on Thursday, May 25, 2017. OPEC initially instated limits to its production starting in January, though the original deal was due to end this summer in June. Now, OPEC members say they've agreed to continue to cut the cartel's total output in attempts to push oil prices back up.

TIPRO Calendar of Events

<p>JUNE 14, 2017 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.</p>	<p>JULY 12, 2017 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.</p>	<p>AUGUST 9, 2017 HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.</p>	<p>AUGUST 9-10, 2017 SAN ANTONIO — TIPRO's Summer Conference, Hyatt Hill Country Resort. For info, call: (512) 477-4452.</p>
---	---	--	---

IN NEW OP-ED, TEXAS ENERGY REGULATOR LOOKS AT AMERICA'S INFLUENCE ON OPEC

In a new editorial, Texas Railroad Commissioner Ryan Sitton talks about how the U.S. oil and gas industry has been able to disrupt the once almighty influence of the Organization of the Petroleum Exporting Countries (OPEC) on global oil markets. "We watched [last] Thursday as the advances of the shale producers in Texas and the U.S. forced the hand of the OPEC nations -- and they extended cuts to support prices," wrote the commissioner in the op-ed published over the weekend.

"America's energy exports have increased 334 percent in just the last 10 years, and our energy is being used to lessen the influence of Russia in Europe and provide cleaner burning energy for countries like China, South Korea, Mexico, Jordan, Pakistan, Turkey, Dominican Republic, Thailand, Kuwait and Chile. For all of the political posturing around energy, the market forces in the United States are competing head to head with the conglomerate forces in the rest of the world. The days of OPEC using oil supplies and prices as a political weapon are dwindling. More specifically, while they still have the ability to push prices down, they are losing the ability to push them up... Less OPEC oil on the market enhances the opportunity for American energy to fill needs around the world and will help us achieve energy dominance, which means producing more energy than anyone else and using that energy to enhance our economic and national security."

To read the full article from Commissioner Sitton, visit: <http://bit.ly/2qD9127>.

CONGRESSMAN PETE OLSON AND EPA ADMINISTRATOR PRUITT REVIEW ISSUES FACING TEXAS

Continuing his outreach to state leaders and elected officials, Scott Pruitt, head of the U.S. Environmental Protection Agency (EPA) met in May with Texas Congressman Pete Olson (TX-22) to discuss issues impacting Texas' environment and economy. "Congressman Olson understands how important it is for the EPA to work with municipalities and states to help them reach compliance under the Clean Air Act," said Administrator Scott Pruitt.

"Improving air and water quality while growing our economy is critical in a city like Houston that has vibrant communities alongside our nation's energy and petrochemical powerhouse," Representative Olson said. "Administrator Pruitt understands this, and as a former state regulator he also understands the importance of the federal government working with our states and local communities on issues like ozone. I look forward to working with him as he charts a new, constructive path forward at the EPA."

Administrator Pruitt also recently met on Capitol Hill with Texas Congressman Mike Conaway (TX-11) to review environmental and economic issues important to both the people of the state of Texas and the nation.

EPA ISSUES 90-DAY STAY FOR OIL AND GAS EMISSION STANDARDS

The U.S. Environmental Protection Agency (EPA) announced at the end of May that it will issue a stay for portions of the 2016 New Source Performance Standards (NSPS) for the oil and natural gas industry.

The EPA's NSPS rule, finalized last June, adopted new standards for greenhouse gas emissions and volatile organic compound (VOC) emissions from the oil and natural gas sector, addressing fugitive emissions at well sites and compressor station sites, as well as emissions from pneumatic pumps.

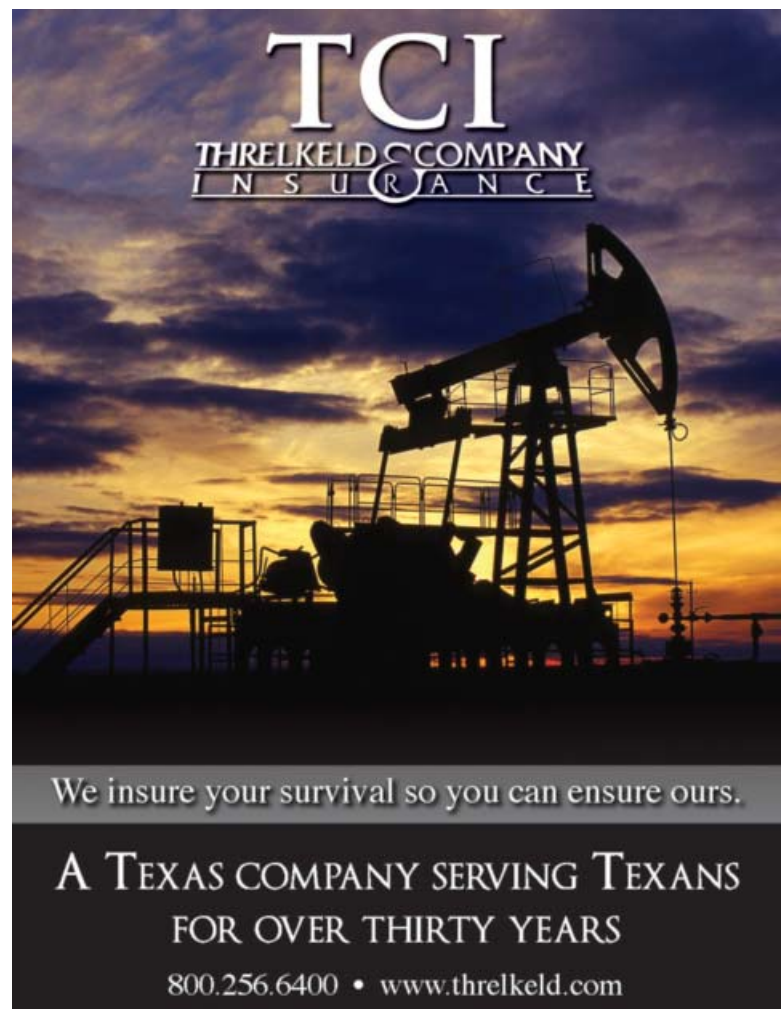
A number of stakeholders - including members of the oil and gas industry - later submitted administrative petitions to EPA officials expressing concerns over technical aspects of the policy, and requesting the agency reevaluate parts of its 2016 Rule.

In response to the petitions, the EPA in April revealed its intent to reconsider provisions of the rule, including the fugitive emissions monitoring requirements, pursuant to section 307(d)(7)(B) of the Clean Air Act (CAA).

Now, the EPA is formally following through with its commitment by issuing a notice in the Federal Register of a three-month stay of the fugitive emissions, pneumatic pumps, and professional engineer certification requirements under the rule.

While the 90-day stay is in effect, parties do not have to comply with the respective regulatory requirements that are under review by the EPA.

To read the notice recently issued by the EPA, please visit: www.epa.gov/controlling-air-pollution-oil-and-natural-gas-industry



TCI
THRELKELD & COMPANY
INSURANCE

We insure your survival so you can ensure ours.

A TEXAS COMPANY SERVING TEXANS
FOR OVER THIRTY YEARS

800.256.6400 • www.threlkeld.com

JOIN TIPRO THIS AUGUST FOR THE ASSOCIATION'S SUMMER CONFERENCE!

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



This year, TIPRO will again host its summer conference at the Hyatt Hill Country Resort in San Antonio, Texas, on August 9-10, 2017. 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. Call (210) 647-1234 to book your hotel accommodations.

Act now -- the deadline to book your hotel reservation with the discounted rate is on July 11th!



TIPRO'S SUMMER CONFERENCE

AUGUST 9-10, 2017

HYATT HILL COUNTRY RESORT
SAN ANTONIO, TEXAS

GENERAL SPONSOR PACKAGES

GOLD | \$6,000

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

SILVER | \$3,500

*Receive 2 complimentary meeting registrations and
special recognition during the Keynote Luncheon.*

BRONZE | \$2,000

*Receive 1 complimentary meeting registration 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 will be distributed at the TIPRO conference.*

TOTE BAG SPONSOR | \$2,500

NOTEBOOK SPONSOR | \$2,500

LANYARD SPONSOR | \$2,500

~~TUMBLER WATER BOTTLE SPONSOR | \$2,500 *SOLD OUT*~~

OTHER SPONSORSHIP OPPORTUNITIES:

~~HOSPITALITY SUITE SPONSOR | \$2,500 *SOLD OUT*~~

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

~~AMENITY SPONSOR | \$2,500 *SOLD OUT*~~

*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
TIPRO's 2017

Summer Conference,
please fill out and return the
form on the following page.

Questions? Please
contact Stephen Coffman
at (512) 477-4452 or email
scoffman@tipro.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

- ~~HOSPITALITY SUITE SPONSOR | \$ 2,500 *SOLD OUT*~~
- ~~AMENITY SPONSOR | \$ 2,500 *SOLD OUT*~~
- TOTE BAG SPONSOR | \$ 2,500
- NOTEBOOK SPONSOR | \$ 2,500
- LANYARD SPONSOR | \$ 2,500
- ~~TUMBLER SPONSOR | \$ 2,500 *SOLD OUT*~~

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: _____

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.

CONFERENCE REGISTRATION FORM

TIPRO is excited to again host the association's annual summer conference at the Hyatt Hill Country Resort in San Antonio, Texas, on August 9-10, 2017. We look forward to seeing you there this August for the association's summer meeting!



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



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"/>
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 _____

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 1, 2017.



During the 85th Texas Legislative Session, TIPRO tracked more than 300 bills on behalf of the association's membership.

TIPRO is proud to serve as the leading voice at the state capitol for Texas independent producers and royalty owners, and work to advocate for key legislation that will promote energy development in the state of Texas.

TIPRO thanks all members of the association for their support this session.



**Texas Independent
Producers &
Royalty Owners
Association**

With more than 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.

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