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Independent
Producers and
Royalty Owners
Association**

EPA RELAXES REGULATORY RESTRICTIONS FOR THE OIL AND GAS INDUSTRY

The U.S. Environmental Protection Agency (EPA) has unveiled new improvements for the 2016 New Source Performance Standards (NSPS) for the oil and gas industry which seek to align regulatory requirements in keeping with President Donald Trump's Energy Dominance Agenda.

Under the proposed regulatory package, announced by the EPA on Tuesday, September 11, 2018, the agency would modify the frequency for monitoring leaks (also known as "fugitive emissions") at well sites and compressor stations. The 2016 NSPS required owners/operators at new and modified well sites to conduct an initial monitoring survey within 60 days of the startup of production, and semi-annual monitoring surveys afterward. Now, the EPA is proposing the following schedule for monitoring fugitive emissions at new and modified well sites:

- For low production well sites, biennial monitoring would be required (once every other year). The EPA defines a low production well site as holding combined oil and natural gas production of less than 15 barrels of oil equivalent per day, averaged over the first 30 days of production.
- For well sites that are not considered low production, annual monitoring would be required. Non-low production well sites are those with a combined oil and natural gas production of 15 or more barrels of oil equivalent per day, averaged over the first 30 days of production.
- For all well sites, EPA is proposing to allow monitoring to be stopped once all major production and processing equipment is removed so that the site contains only wellheads. However, separate tank batteries receiving oil or gas produced from wellhead-only sites are considered modified and would be subject to fugitive emissions monitoring requirements.

The EPA is also co-proposing changing the monitoring schedule for compressor stations to require either semi-annual or annual monitoring.

Moreover, the agency has recommended extending the schedule to allow operators more time to repair leaks of fugitive emissions. The 2016 NSPS requires owners/operators who find fugitive emissions to repair leaking components within 30 days after the emissions are detected. Owners/operators must then re-survey the component within 30 days to verify that the repair was successful, according to the EPA. Under the new rule package, EPA would provide owners/operators up to 60 days after fugitive emissions are detected to complete repairs. The first attempt at a repair would still have to be made during the first 30 days of that period, however.

Other regulatory amendments would alter requirements for pneumatic pumps at well sites, and ease requirements for certification by a professional engineer when meeting those requirements is technically infeasible. The federal agency also would remove duplicative EPA and state requirements in an effort to streamline implementation, decrease unnecessary burdens for domestic energy producers and support state oversight of industry operations. "These common-sense reforms will alleviate unnecessary and duplicative red tape and give the energy sector the regulatory certainty it needs to continue providing affordable and reliable energy to the American people," said EPA Acting Administrator Andrew Wheeler. "Removing these excessive regulatory burdens will generate roughly \$484 million in cost savings and support increased domestic energy production – a top priority of President Trump."

Representatives of the oil and gas industry expressed support for the EPA's proposal, calling the regulatory action a step in the right direction. Since the EPA updated its NSPS and permitting rules in 2016 for new, reconstructed and modified oil and gas sources, TIPRO has lobbied against the onerous regulations, and is pleased to see the Trump Administration work to fix policy issues as well as adopt reasonable standards that protect the environment while also encouraging increased domestic energy production. "On its own initiative, the U.S. oil and gas industry continues to lead efforts to reduce energy emissions through innovation, best practices and voluntary industry programs," said TIPRO President Ed Longanecker. "As an example, exploration and production companies have reduced methane emissions by more than 14 percent since 1990, while overall natural gas production has increased by over 50 percent during this timeframe. This decline is attributable to voluntary actions from operators, including investment of over \$250 billion in greenhouse gas mitigating technologies by U.S. oil and natural gas companies over the past 20 years. Increasing use of natural gas for electricity generation has also resulted in reductions in the emissions of carbon dioxide (CO₂) and criteria air pollutants, including sulfur dioxide and nitrogen oxides in recent years. In fact, in 2017, the U.S. led the world in carbon emission reductions for the third consecutive year and for the ninth time this century, achieving better results than any other country that signed the Paris Agreement on climate change last year."

The EPA will accept public comments on its proposed regulatory package for 60 days after the proposal is published in the Federal Register. The agency also plans to host a public hearing in Denver, Colorado, this Fall to hear input from stakeholders on the recommended regulatory changes. For more information regarding EPA's proposed NSPS improvements, please visit <https://bit.ly/2NafNgY>.

PRESIDENT'S MESSAGE

TIPRO members,

Both sides of the isle have characterized the upcoming elections as among the most important elections of our lifetime. Indeed, the results could have a significant impact on an already harshly partisan environment in Washington, D.C. We also know that election polling data in recent years has largely missed the mark, so this cycle will certainly be one to watch closely.

As we focus on the upcoming Texas elections, I want to remind everyone that the deadline to register to vote is October 9, 2018. According to state election records, more than 15.5 million Texans are registered.

The battle between Republican U.S. Senator Ted Cruz and U.S. Representative Beto O'Rourke, D-El Paso, continues to escalate with Cruz holding onto a small margin according to most polling data.

Meanwhile, since the March Primary Elections, two special elections have occurred.

Representative Leighton Schubert (R-Caldwell) resigned in the Spring and a special election was held to fill his seat. Former Grimes County Judge Ben Leman won the special election. He was sworn in on May 31.

The other special election is in Senate District 19. It has been a Democratic seat that has at its Southern edge, the Eagle Ford Shale, and on its Western edge, the Permian Basin. Senator Carlos Uresti (D-San Antonio) had to resign his seat after being found guilty of securities fraud. He served more than two decades in the Texas Senate. The special election was held on July 31st with a field of eight candidates, including three Republicans. The run-off election is scheduled for September 18th between former Democratic Congressman Pete Gallego and former game warden for Texas Parks and Wildlife, Pete Flores.

Heading into Fall's General Election, there are over a dozen races in the Texas House that can be considered competitive. A handful worth keeping an eye on include:

- HD 43: Rep. JM Lozano-R DeeAnn Torres Miller-D
(Optimal Republican Voting Score - ORVS: 53.5%)
- HD 47: Rep. Paul Workman-R Vikki Goodwin-D
(ORVS: 54.3%)
- HD 108: Rep. Morgan Meyer-R Joanna Cattanach-D
(Clinton 6.3) (2016 Huffman 63.3% / Lucido 33.9%) (ORVS: 56.4%)
- HD 136: Rep. Tony Dale-R John Bucy-D Zack Parks-L
(Clinton 2.5) (2016 Dale 55% / Gordon 45%) (ORVS: 51.1%)
- HD 144: Rep. Mary Ann Perez-D Ruben Villarreal-R
(ORVS: 46%)

In a number of these Republican districts, Hillary Clinton beat President Trump. In others, particularly those in Dallas County, some are expecting a blue wave because of the U.S. Senate race and overlapping congressional races.

In the Senate, there is only one seat that is deemed competitive. It is Senate District 10 in Tarrant County between Republican Senator Konni Burton and Democrat Beverly Powell. If the Dallas County blue wave materializes, then the race for Senate District 16 between Republican Senator Don Huffines and Democrat Nathan Johnson could become competitive.

The judicial races are also incredibly important in this year's election, particularly the Third Court of Appeals, which includes Travis County (Austin). Since the Texas Supreme Court can review only a small fraction of the decisions from any appeals court, this effectively makes the Third Court the court of last resort for most appeals from state agency decisions and actions. Many of the most important decisions in Texas are made at the agency level. Examples include utility rate cases by the Public Utility Commission (PUC), regulatory matters impacting the oil and gas industry at the Texas Railroad Commission, medical insurance rate cases, water rights cases by the Texas Commission on Environmental Quality, professional licensing cases by the licensing boards of each profession, State Office of Administrative Hearings appeals, tax disputes with the Comptroller's Office, as well as challenges to agency rules, to name several.

Regardless of one's political preference, it is incumbent upon all of us to interface with and educate policymakers, Republican and Democrat, about the positive impact of domestic oil and natural gas development and immense amount of misinformation perpetuated by some to harm our industry and the livelihood of millions of Texans. Support reliable, affordable energy, enhanced national security, and economic prosperity for Texas. Vote for candidates that appreciate and support Texas oil and natural gas.

Regards,

Ed Longanecker



Ed Longanecker

TIPRO Calendar of Events

OCTOBER 10, 2018	NOVEMBER 14, 2018	DECEMBER 12, 2018	JANUARY 9, 2019
HOUSTON — IPAA/TIPRO	HOUSTON — IPAA/TIPRO	HOUSTON — IPAA/TIPRO	HOUSTON — IPAA/TIPRO
Leaders in Industry	Leaders in Industry	Leaders in Industry	Leaders in Industry
Luncheon, 11:30 a.m.	Luncheon, 11:30 a.m.	Luncheon, 11:30 a.m.	Luncheon, 11:30 a.m.
Houston Petroleum Club.	Houston Petroleum Club.	Houston Petroleum Club.	Houston Petroleum Club.
For info, call: (202) 857-4733.			

THE RACE TO BECOME HOUSE SPEAKER HEATS UP AS ADDITIONAL CANDIDATES FILE TO RUN

Two more officials have entered the race to replace retiring Representative Joe Straus as Texas House speaker for the next legislative session. State Representative Drew Darby (R-San Angelo) filed on Friday, August 31st to run for speaker of the Texas House of Representatives. Representative Darby, who has been a member of the House since 2007, is the current chair of the House Energy Resources Committee. In addition, Representative Four Price, R-Amarillo, announced last Thursday, September 6th he also is running to become the leader of the House chamber next session. Representative Price, now serving his fourth term in the Texas House, sits on the House Natural Resources Committee.

To-date, Representatives Price and Darby join Republicans Phil King of Weatherford, Tan Parker of Flower Mound, John Zerwas of Richmond, and Travis Clardy of Nacogdoches in the contest to become speaker. Democrat Eric Johnson of Dallas also has filed to run for speaker of the Texas House.

JON NIERMANN TAPPED TO LEAD THE TCEQ AS NEW AGENCY CHAIRMAN

Texas Governor Greg Abbott has designated Jon Niermann as the new chairman of the Texas Commission on Environmental Quality (TCEQ), for a term to expire at the pleasure of the governor. Niermann has served as commissioner of the state's environmental agency since 2015, and also is Governor Abbott's appointee on the Western States Water Council. "I am grateful for the confidence Governor Abbott has shown in me by asking me to serve as a commissioner—and now the chairman—of TCEQ," says Niermann. "It is a true privilege to serve the people of Texas and to do so alongside the talented men and women who form this great agency."

Niermann takes over the role after previous chairman Dr. Bryan W. Shaw retired from the TCEQ at the end of last month. With his retirement, Shaw completed more than ten years of service to the agency, having first been appointed commissioner to the TCEQ by then-Governor Rick Perry in November of 2007. He later was named TCEQ chairman on September 10, 2009. Upon his retirement announcement on August 31, 2018, Governor Abbott praised Shaw for his leadership of the TCEQ over the course of the last decade, recognizing Shaw's reason-based oversight and unwavering commitment to protect the state's natural resources. "[Shaw] exemplified leadership in the aftermath of Hurricane Harvey, in bringing needed relief to affected Texans," observed Governor Abbott. "On behalf of the people of Texas, I thank Bryan for upholding the highest standards and for his commitment to public service, and I wish him the best in the next chapter of his life."

RAILROAD COMMISSION APPOINTS ACTING DIRECTOR OF PIPELINE SAFETY DIVISION

The Texas Railroad Commission has named Stephanie Weidman acting director of the agency's Pipeline Safety Division, effective as of September 1, 2018. Weidman, who has been with the commission since 2010, will also serve in a dual role and continue in her position as Pipeline and Hazardous Materials Safety Administration (PHMSA) program director for the commission's Oversight and Safety Division. Her job responsibilities included leading inspections, reviewing plans of correction and meeting with pipeline operators.

KYLE HAWKINS TO SUCCEED SCOTT KELLER AS TEXAS SOLICITOR GENERAL

Texas Attorney General Ken Paxton announced Monday, September 10th that he has appointed current Texas Assistant Solicitor General Kyle Hawkins as the state's next solicitor general. With the appointment, Hawkins becomes the state's chief litigator in the U.S. Supreme Court and the Texas Supreme Court.

Hawkins replaces Scott Keller, who leaves the attorney general's office to join Baker Botts as a partner in the law firm's Washington D.C. office. After becoming solicitor general for Texas in January 2015, Keller argued 11 times before the U.S. Supreme Court, as well as in various other federal and state courts. He helped the state secure legal victories against a range of onerous federal policies, including leading efforts to stop the Environmental Protection Agency's Clean Power Plan and Regional Haze rules.

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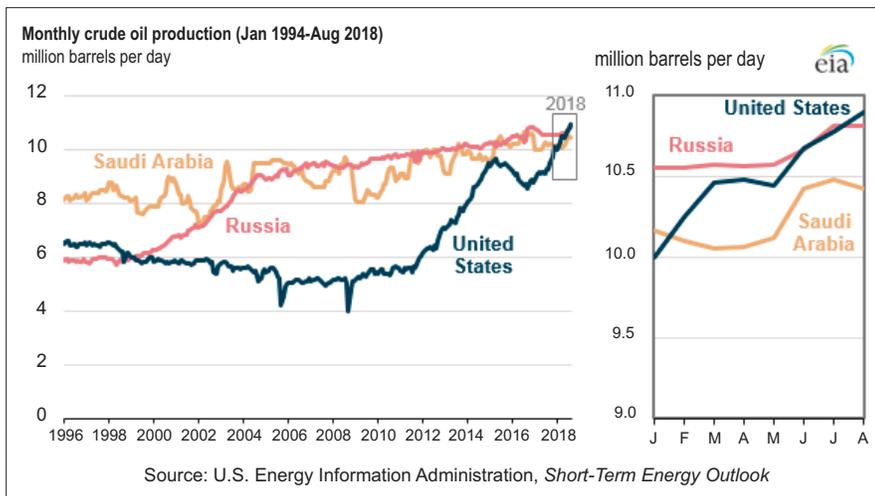
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UNITED STATES BECOMES THE WORLD'S TOP CRUDE OIL PRODUCER

In its latest outlook, the U.S. Energy Information Administration (EIA) projects that the United States has surpassed Russia and Saudi Arabia to claim the title of world's largest crude oil producer. According to the EIA's new *Short-Term Energy Outlook* (STEO), issued September 11, preliminary estimates of domestic oil production indicate that this past February, U.S. crude oil production exceeded that of Saudi Arabia for the first time in more than two decades. In June and August, the United States surpassed Russia in crude oil production for the first time since February 1999.

Analysts anticipate that U.S. crude oil output will continue to rise, exceeding Russian and Saudi Arabian crude oil production for the remaining months of 2018 and through 2019.



REMINDER: MAKE YOUR VOICE HEARD ON PROPOSED ESA IMPROVEMENTS

The U.S. Fish and Wildlife Service (USFWS) and National Oceanic Atmospheric Administration (NOAA) Fisheries are still accepting public comment on proposed revisions to improve the implementation of the Endangered Species Act (ESA). Stakeholders will have until Monday, September 24, 2018, to provide input on three regulatory proposals that seek to modernize the way the government manages conservation of threatened or endangered species.

In mid-July, officials published proposed reforms for sections of the ESA after receiving feedback that implementation was not consistent and often times confusing to stakeholders. As part of the changes to the 45-year-old law, the government will take into account the costs of species protection to local land owners, businesses and other individuals living in nearby geographical areas. USFWS is also separately proposing to rescind its blanket rule under section 4(d) of the ESA, which automatically conveyed the same protections for threatened species as for endangered species unless otherwise specified.

Find more information on the regulatory revisions proposed for the ESA and learn how to submit your feedback by visiting: <https://bit.ly/2uxya4u>.

INTERIOR SECRETARY SIGNS NEW ORDER TO PREVENT 'SUE AND SETTLE' ABUSE

Ryan Zinke, secretary of the U.S. Department of Interior (DOI), has issued a new Secretarial Order to prevent 'sue and settle' abuse at the department, effective immediately. Under Secretarial Order 3368, signed Friday, September 7, 2018, the American public will be offered greater transparency and opportunities for engagement before DOI makes a recommendation to accept or enter into a settlement agreement presenting large policy or budgetary implications.

Officials with the department concede that over the last five years, DOI has been party to a staggering number of settlement agreements and consent decrees, "often with no input from or even notice to the American people, leaving the door open for potential abuse." This has been seen particularly with the U.S. Fish & Wildlife Service (USFWS), a division of the Interior Department, with regard to settlement agreements reached for cases relating to the Endangered Species Act (ESA). "Between January 1, 2012 and January 19, 2017, the department agreed to enter into 460 settlement agreements and consent decrees (an average of over 90 per year) and agreed to pay more than \$4.4 billion in monetary awards. From January 1, 2016 through January 19, 2017, the department entered into approximately 96 settlement agreements and consent decrees, agreeing to pay more than \$1.7 billion in monetary awards," a spokesman for the department said.

Under the new directive issued by Secretary Zinke:

- DOI will establish a publicly accessible "Litigation" webpage prominently linked from the Office of the Solicitor's homepage.
- Within 90 days, DOI will post a searchable list of final judicial and administrative consent decrees and settlement agreements that continue to govern Departmental actions, including a brief summary of each decree or agreement, a note of any attorney's fees or costs paid, and a link to the text of the decree or agreement.
- Any proposed consent decree or settlement agreement that commits DOI to seek a particular appropriation or budget authorization from Congress or formally reprogram appropriated funds, and/or places obligations on the Department that extend beyond five years at the top of the Litigation page, publish notice of the proposed consent decree or settlement agreement in the Federal Register, and provide a public comment period of at least 30 days.
- DOI, including any agency or bureau thereof, will not recommend that the Department of Justice enter into a consent decree or settlement agreement that: converts into a mandatory duty the otherwise discretionary authority of the Secretary and/or his designees (including bureau and office heads) to revise, amend, or promulgate regulations; requires DOI or any subdivision thereof to pay attorney's fees and costs unless the plaintiff or petitioner has established a strong likelihood of obtaining such fees under the law; and prohibits public disclosure of any consent decree or settlement agreement.

CONGRESS LOOKS TO MAKE TAX REFORM PACKAGE PERMANENT



GOP members of Congress this week introduced new legislation to provide permanent tax relief to Americans, building on the successes of the *Tax Cuts and Jobs Act* that was signed into law at the end of last year. In what Republicans are calling their ‘Tax Reform 2.0 package,’ three bills have been proposed to lock in the individual and small business tax cuts made law under the *Tax Cuts and Jobs Act of 2017*, with additional provisions that will make it easier for families and businesses to save for retirement and boost American innovation by growing startup businesses.

“The *Tax Cuts and Jobs Act* changed the trajectory of our economy for the better. Now it’s time to change the culture in Washington where we only do tax reform once a generation. This legislation is our commitment to the American worker to ensure our tax code remains the most competitive in the world,” vowed U.S. House Ways and Means Committee Chairman Kevin Brady (R-TX). “Last year we said goodbye to America’s old, broken tax

code. Under our new system, we’re seeing incredible job growth, bigger paychecks, and a tax code that works on behalf of families and American businesses. Now it’s the time to ensure we never let our tax code become so outdated again. We look forward to bringing these bills to the committee soon,” Chairman Brady added.

The following pieces of legislation were presented Monday, September 10th under the proposed Tax Reform 2.0 package:

- H.R. 6760, *the Protecting Family and Small Business Tax Cuts Act of 2018*, sponsored by U.S. Representative Rodney Davis (R-IL), and cosponsored by Representative Mark Meadows (R-NC), Representative Mark Walker (R-NC), Chairman Brady (R-TX), and all other Ways and Means Committee Republicans. H.R. 6760 would provide for the individual tax cuts included in the *Tax Cuts and Jobs Act* to be made permanent. Initially, under the original tax reform bill passed by the House on November 16, 2017, individual rates and deductions were set to be permanent in statute, but eventually those provisions were made temporary by the Senate to abide by budget reconciliation rules. Currently, these provisions are due to expire in 2025.
- H.R. 6757, *the Family Savings Act of 2018*, sponsored by U.S. Representative Mike Kelly (R-PA), and cosponsored by Representative Paul Mitchell (R-MI), Chairman Brady (R-TX), and all other Ways and Means Committee Republicans. H.R. 6757 seeks to help local businesses provide retirement plans to their workers and assist families in saving for their future by offering tools that will encourage greater financial stability. As explained by the bill’s author Representative Kelly, now is the time to pass legislation that enables Americans to save for their futures, especially as so many households receive larger paychecks or new bonus payments thanks to the *Tax Cuts and Jobs Act*.
- H.R. 6756, *the American Innovation Act of 2018*, sponsored by Tax Policy Subcommittee Chairman Vern Buchanan (R-FL), and cosponsored by House Ways and Means Committee Chairman Kevin Brady (R-TX) and all other Ways and Means Committee Republicans. This bill amends the Internal Revenue Code of 1986 to promote new business innovations, empowering entrepreneurs and startup businesses in the United States.

Chairman Brady has advised that the House Ways & Means Committee will take up the tax reform legislation later this week, and expects to have the policies ready for a floor vote in September.

HOUSE JUDICIARY COMMITTEE CONSIDERS BILL BARRING NATIONAL INJUNCTIONS

Members of the U.S. House Judiciary Committee are taking a closer look at the increasing use of national injunctions imposed by the federal court system which prevent implementation and enforcement of national law or policies. On Monday, September 10, U.S. House Judiciary Committee Chairman Bob Goodlatte (R-Va.) announced the introduction of the *Injunctive Authority Clarification Act of 2018* (H.R. 6730) that seeks to enact a limit on nationwide injunctions and restore the balance of power between the different branches of the government.

“Judicial overreach in the form of national injunctions has increasingly frustrated administrations of both parties,” argued Chairman Goodlatte. “Although the Trump Administration has been the target of over 22 national injunctions to-date, the practice took off in 2015 as a means of stopping major Obama Administration policies.”

On multiple occasions, the state of Texas has filed motions to seek national injunctions against a number of federal policies, including the controversial ‘Waters of the U.S.’ rule and other environmental regulations imposed by the U.S. Environmental Protection Agency (EPA) over the years.

“The Constitution gives courts the authority to decide cases for the parties before them, not to act as super-legislators for everyone across the country based on a single case,” Goodlatte stated. “It simply cannot be the law that opponents of government action can seek a preliminary injunction and lose in 93 of the 94 judicial districts, win one injunction in the 94th and through that injunction obtain a stay of government action nationwide despite it being upheld everywhere else.”

H.R. 6730 would clarify that a federal court’s injunctive power extends only to the protection of the parties before it, preventing courts from handing down sweeping injunctions that thwart enactment of a law or statute nationwide.

FEDERAL REGULATORS RELEASE NEW SCHEDULE ADVANCING REVIEW OF 12 LNG EXPORT APPLICATIONS

The Federal Energy Regulatory Commission (FERC) has issued environmental schedules providing for the review of 12 liquefied natural gas (LNG) export terminal applications currently pending before the commission. The move comes as the agency hopes to streamline and improve the processing of applications for LNG export facilities, an issue which members of Congress have even taken notice of in recent months.

“As FERC is the lead siting agency for LNG projects, our responsibility over LNG applications is to assess the environmental effects, safety, and engineering of LNG facilities in a timely manner in accordance with our statutory obligations,” said FERC Chairman Kevin McIntyre.

In conjunction with the release of the new review schedule, FERC says that it also has brought on additional staff members dedicated to handling LNG projects for the commission. Furthermore, FERC recently signed a Memorandum of Understanding (MOU) with the Pipeline and Hazardous Materials Safety Administration (PHMSA) to better leverage each agency’s expertise in the LNG authorization process and issues related to LNG safety. “Our recent streamlining efforts will provide all LNG stakeholders additional regulatory certainty and help minimize undue administrative burdens,” explained Chairman McIntyre.

As previously reported in the August 30th *TIPRO Target* newsletter, last month, a group of U.S. senators had reached out to Chairman McIntyre to obtain additional information concerning FERC’s resource constraints which could be impacting the timely review of applications for LNG export projects in the United States. During a congressional hearing held over the summer, the chairman of FERC had informed lawmakers of an increased workload at the commission due to a higher volume of complex LNG applications, presenting a need to hire additional technical staff to process the applications as well as compelling the agency to streamline internal permitting processes to improve the review of proposed LNG export terminals.

This past summer, legislation was also introduced in Congress to help FERC offer greater pay flexibility for specific jobs so the commission may hire qualified engineers, lawyers and other personnel needed to review applications for construction of energy export terminals. Texas Congressmen Pete Olson and Gene Green filed H.R. 6552 at the end of July to provide FERC the flexibility to consult with the Office of Personnel Management (OPM) and determine appropriate salaries to compensate skilled staff to review applications for vital infrastructure including LNG export terminals. “FERC needs qualified engineers and lawyers to do this job effectively but often can’t recruit talented individuals into these roles due to the severe limits of the government pay scale when compared to the private sector. Just as the Securities and Exchange Commission (SEC) has been granted authority by Congress to address the wage gap at the SEC, our bill will do the same FERC ensuring that talented regulators will be available to review much needed infrastructure development,” said Rep. Green.

“There is widespread acknowledgement that the United States is poised to play an important role in serving worldwide LNG demand, and its ability to serve that demand quickly will serve the nation’s national security and economic interests. Because sufficient LNG export capacity is a necessary gateway to the global gas markets, the FERC’s efficient processing of LNG facility applications will put the U.S. in a more competitive position.”

--FERC Chairman Kevin McIntyre

KAREN EVANS TAKES CONTROL OF NEWLY-CREATED U.S. OFFICE OF CYBERSECURITY & ENERGY SECURITY

The first week of September, Karen Evans was sworn in as the first assistant secretary to lead the Office of Cybersecurity, Energy Security, and Emergency Response (CESER), a division of the U.S. Department of Energy. As the United States faces increased risk of cyberattacks to its energy infrastructure, the CESER program was established by U.S. Secretary of Energy Rick Perry to manage the agency’s emergency preparedness and coordinated response to disruptions to the energy sector, including physical and cyber-attacks, natural disasters, and man-made events. “Secretary Perry created the CESER office to address the emerging threats of tomorrow while protecting the reliability and security of American energy today. From her extensive cybersecurity background in both the private and public sectors, there is no one better suited or more qualified to carry out this mission than Karen Evans,” commented U.S. Deputy Secretary of Energy Dan Brouillette.

Evans most recently was the national director of the U.S. Cyber Challenge, a public-private program designed to help address a skills gap in the cybersecurity field. Previously, she was a top IT official at the Office of Management and Budget (OMB) under President George W. Bush, in a position now known as the federal chief information officer (CIO). She has also previously served as DOE’s CIO.

“I am humbled and honored to serve as the first assistant secretary for Cybersecurity, Energy Security, and Emergency Response at the U.S. Department of Energy,” said Assistant Secretary Evans. “I look forward to working with industry to provide the most advanced and secure energy infrastructure to the American people, and overcoming the challenges ahead in response to manmade and natural disasters.”

TOP ENERGY ADVISER DEPARTS INTERIOR DEPARTMENT

Vincent DeVito, counselor to the Secretary of the U.S. Department of Interior for energy policy, recently stepped down from the federal agency to return to private practice and become the executive vice president and general counsel of independent oil and gas company Cox Oil Offshore LLC. DeVito was known for his role in shaping the administration’s ‘Energy Dominance’ agenda, and helped ensure policy coordination among the nine bureaus with energy responsibilities within the Interior Department. While at the Interior, DeVito also oversaw the Royalty Policy Committee, an advisory body formed by Secretary of the Interior Ryan Zinke to offer guidance on policy and strategies to improve federal management of public and American Indian assets and mineral resources.

SENATE PANEL EXAMINES ROLE OF U.S. LNG IN SATISFYING EUROPEAN ENERGY DEMANDS

As the United States boosts output of its natural gas resources, the U.S. Senate Committee on Energy & Natural Resources met Thursday, September 13th to explore how liquefied natural gas (LNG) produced in America can help European nations meet energy demands. Europe, now the biggest importer of natural gas in the world, consumes approximately 15 percent of the world's natural gas, though only holds 2 percent of the reserves. Exporting U.S. LNG provides an important opportunity for Europe to diversify its energy supply and reduce its dependence on Russian gas, while also offering economic benefits to the U.S. economy, experts informed federal lawmakers at Thursday's hearing. "Through technological advancements, the U.S. has emerged as the largest gas producing nation in the world, and is fast becoming a global leader in LNG exports. According to the International Energy Agency (IEA), gas imports to Europe are expected to rise almost 20 percent by 2040. Our nation is well-positioned then to assist our allies in diversifying their energy supplies and achieving a level of energy security," stated Committee Chairman Lisa Murkowski.

Steven Winberg, assistant secretary of Fossil Energy for the U.S. Department of Energy, offered testimony before the committee on the issue. In his remarks, Winberg explained how increasing U.S. LNG exports to the world are critical to achieving the Trump Administration's goal of American energy dominance. "There is no doubt that this administration has made this issue a top priority," proclaimed Winberg. He also advised, "The United States is strongly committed to providing Europe with access to strategic, diverse, and reliable energy supplies. According to the European Commission, in the fourth quarter of 2017, European Union (EU) natural gas imports increased by 6 percent compared to a year earlier. For the same period, Russia remained the EU's top supplier of natural gas, accounting for 43 percent of natural gas imports; LNG accounted for 12 percent of imports... As a consequence, due to lack of supply routes and insufficient pipeline buildout, Europe is also becoming more, not less, dependent on Russian gas. Exports of U.S. LNG can be part of Europe's solution to diversifying its energy supply. U.S. LNG exports not only serve to increase the volumes of LNG available globally, but helps to diversify fuel types, fuel sources, and delivery routes of natural gas supplies in Europe and elsewhere."

U.S. DISTRICT COURT ISSUES NEW INJUNCTION STOPPING WOTUS RULE ENFORCEMENT IN TEXAS

Texas Attorney General Ken Paxton applauded a ruling issued late Wednesday, September 12th by the U.S. District Court for the Southern District of Texas that will halt enforcement of the 'Waters of the United States' (WOTUS) rule in the states of Texas, Louisiana and Mississippi. Last month, Attorney General Paxton and his counterparts from Louisiana and Mississippi filed a motion asking the court to expedite their request for an injunction to stop implementation of the WOTUS regulation, arguing the policy unlawfully expanded the reach of the federal Clean Water Act. This request followed a ruling made earlier in August from a district court in South Carolina that overturned President Trump's effort to delay the effectiveness of the WOTUS rule, forcing the rule into effect for Texas, Louisiana, Mississippi and other states. "Today's district court ruling is a win for property owners in Texas, Louisiana and Mississippi, sparing them from the unlawful and impractical WOTUS rule that would allow EPA regulation of ponds, streams and puddles on private land. By restoring principles of federalism to this area of law, the ruling is an even bigger win for the Constitution and the fundamental liberties it protects," commented Attorney General Paxton. To view a copy of the court's injunction against WOTUS, visit <https://bit.ly/2QrImEP>.

USDA FOREST SERVICE SEEKS TO IMPROVE MANAGEMENT OF OIL AND GAS RESOURCES

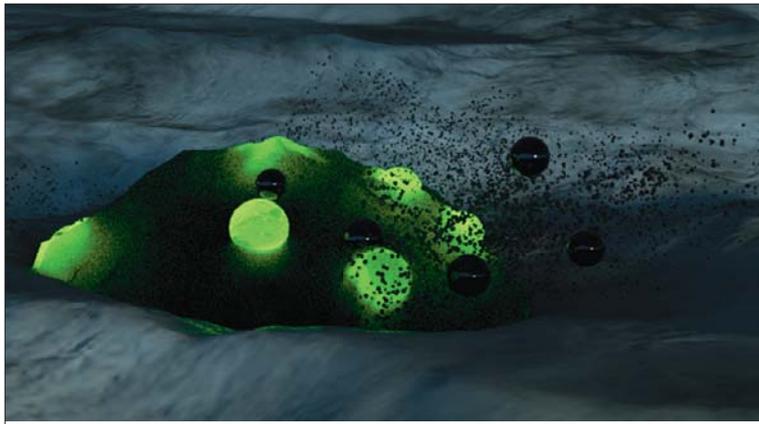
While federal agencies including the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Interior work to reform oil and gas regulatory policies to fulfil President Donald Trump's Energy Dominance Agenda, this week the U.S. Department of Agriculture's (USDA) Forest Service also announced plans to revise outdated and inefficient regulations for oil and gas resources on national forest lands. Through an Advance Notice of Proposed Rulemaking (ANPR) published September 13, 2018, the Service says it is considering potential rule changes to make it easier to drill for oil and gas on National Forest System lands by eliminating unnecessary regulatory burdens for fossil fuel extraction. "This is one of many efforts that our agency is undertaking to focus on our priority of regulatory reform," commented interim Forest Service Chief Vicki Christiansen. "Our goal is to make our processes as simple and efficient as possible while ensuring a sustainable environment for future generations."

In fiscal year 2017, over \$1.2 billion dollars' worth of oil and gas were produced from National Forest System lands, resulting in payments to local, state and federal governments of approximately \$145 million, the Forest Service reported. However, there is a backlog of nearly 2,000 pending Expressions of Interest in leasing oil and gas on about 2 million acres, motivating officials to take action to improve permitting processes in order to allow the United States to benefit from the production of energy resources.

The USDA Forest Service is planning to update regulations under 36 Code of Federal Regulation (CFR) part 228, subpart E, to modernize and improve procedural requirements for development of federal oil and gas resources associated with National Forest System lands. Revisions would streamline internal processes related to environmental review and permitting, and simplify the decision-making process for oil and gas leasing, leading to quicker leasing decisions. These changes have the potential to decrease burden on the oil and gas industry, promoting domestic energy production by making the leasing decision process simpler and by aligning the Forest Service process with the Bureau of Land Management (BLM) so that operators have one simplified permitting system, according to the rule notice.

"We want to strengthen communities and provide jobs," said Christiansen. "At the same time, we are committed to protecting water supplies, supporting aquatic and wildlife habitat, and ensuring a sustainable environment for future generations."

Public comment will be accepted until October 15, 2018, on the Forest Service's proposed regulation revision. To learn more, see the ANPR included in the Federal Register here: <https://www.federalregister.gov/documents/2018/09/13/2018-19962/oil-and-gas-resources>.



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