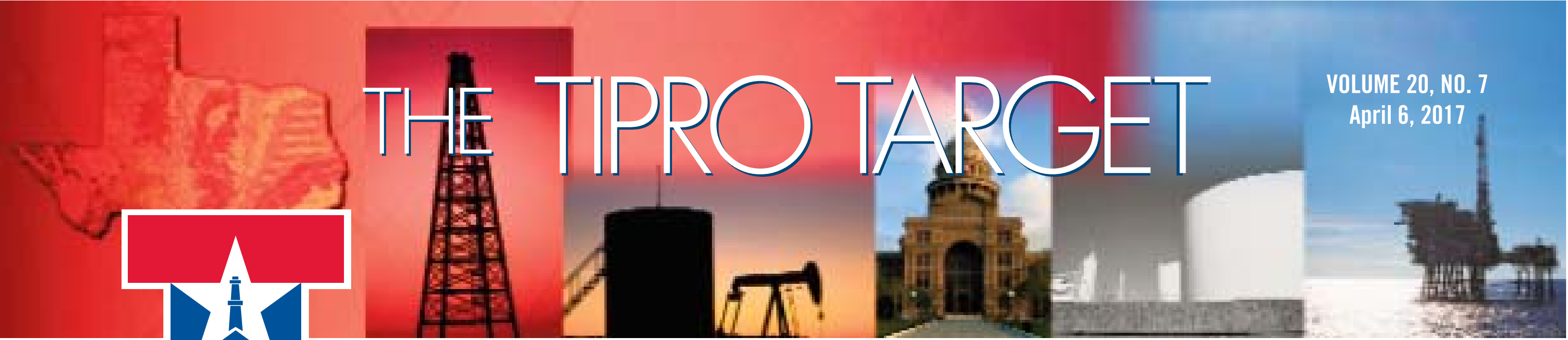

THE TIPRO TARGET

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TIPRO

Texas Independent Producers and Royalty Owners Association

President Trump takes "historic action" to promote American energy independence

In a move aimed at bolstering American energy development and promoting job growth, President Donald Trump signed a wide-ranging executive order on March 28th that will reverse burdensome Obama-era climate and energy policies.

The White House directive will rescind many of the executive and agency actions centered on the previous administration's climate change agenda that have served as a road block to U.S. energy independence. Under the new executive order, President Trump has instructed executive departments and agencies to immediately review existing regulations that potentially burden the development or use of domestically produced energy resources and appropriately suspend, revise, or rescind those that unduly restrict the development of domestic energy resources beyond the degree necessary to protect the public interest or otherwise comply with the law. In addition, under the executive order, the U.S. Environmental Protection Agency (EPA) has been directed to suspend, revise, or rescind actions related to the Clean Power Plan that would stifle the American energy industry. Of note, the EPA administrator also has been charged with reviewing the final rule entitled "Oil and Natural Gas Sector: Emission Standards for New, Reconstructed, and Modified Sources," 81 Fed. Reg. 35824 (issued June 3, 2016), as well as any rules and guidance issued pursuant to it, and, if appropriate, shall, as soon as practicable, suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding those rules. Meanwhile, consistent with the new energy policy announced by President Trump, the U.S. Department of Interior will review a series of regulatory measures relating to energy -- including the controversial hydraulic fracturing regulations previously issued by the Bureau of Land Management -- and if appropriate, shall as soon as practicable suspend, revise, or rescind the respective rules.

Texas' congressional leaders widely praised Trump's order that will curtail federal energy regulations. U.S. Senator for Texas John Cornyn said in a statement, "For eight years, the Obama Administration's draconian regulatory regime hindered job growth and hit Texans at the pump and on their utility bills. Rolling back the Obama Administration's unnecessary, job-killing, and oppressive EPA regulations is another promise kept by this president. I'm glad President Trump continues to prioritize job creation over catering to environmental activists, and I look forward to working with him to harness our state's energy potential for the benefit of the entire nation." Calling President Trump's energy policy "a huge victory for Texans and Americans," U.S. Senator for Texas Ted Cruz also indicated that the new executive order is a significant and powerful step that will fully unleash the American Energy Renaissance. "Over the last eight years, regulations aimed at reducing greenhouse gas emissions cost more than $457 billion, which is more than $3,350 per household. Excessive regulations like these, that pick winners and losers and force Americans to use certain types of energy, harm job creation and slow economic growth. All of us want clean water and clean air, but we shouldn't have to choose between a clean environment and a healthy, growing economy," commented Senator Cruz. U.S. Representative Bill Flores (TX-17) also commended President Trump's recent executive order that Flores says will "capitalize on America's energy abundance, improve economic growth, enhance America's energy security and ensure that our families and businesses have access to affordable energy." U.S. Representative John Ratcliffe (TX-4) similarly expressed his support in favor of the president's swift action to reverse harmful federal regulations for the energy sector. "The Obama administration's war on affordable energy is finally over – and it's hard-working American families and businesses that will win... I look forward to working alongside the Trump administration to protect Americans from harmful energy regulations as further steps are taken to ensure that domestic energy production is embraced as a driver of economic growth and job creation."

> ***"President Trump's executive order is a significant step toward sparing all of us from a potentially disastrous change to the nation's energy policy that was orchestrated during the Obama era in violation of federal law... We're heartened by the president's latest action, which shows he's serious about returning common sense and the rule of law to the EPA."***
> ***-Texas Attorney General Ken Paxton***

Oil and gas workers, coal miners, manufacturers and industry trade organizations last week celebrated the president's Energy Independence Executive Order that takes bold steps to extend regulatory relief and ensure domestic energy development is a top priority.

For more updates relating to President Trump's new energy policy, please see page 5...

President's Message

Ed Longanecker

TIPRO Members,

As the largest producer of oil and gas in the United States, Texas continues to impact the global energy markets, even extending a sustained influence on the OPEC cartel. The mighty Permian Basin, the most prolific shale formation in the nation, is one of several key reasons why the Lone Star State holds such an effect. Analysts say that the Permian could one day surpass the Ghawar field in Saudi Arabia as the world's largest oilfield. And though OPEC had tried to adopt a strategy of maintaining high levels of oil production in order to drive U.S. producers out of the market, the Saudi-Arabia led group failed to do so -- showing the true resilience of domestic producers. While we endured many losses throughout this battle, overall our industry is emerging stronger, leaner and more competitive than ever, and I couldn't be more proud that Texans are at the forefront of this charge.

Despite the fact that recent statistics showed crude production in Texas slowed in the month of January -- clearly a result of depressed commodity prices over the last two years -- there is much reason to believe output will rise in 2017 thanks to greater efficiencies in the drilling process and improved prices as compared to recent years.

New data released on April 3rd from the U.S. Energy Information Administration (EIA) points to the recovery of our industry, revealing that U.S. oil and gas companies are again increasing investments. According to the EIA, for the first time since the downturn, producers hiked capital spending in the fourth quarter of 2016. Marking a turning point for our industry, this news is another reason to believe that the worst really could be behind us.

Another positive indicator of the industry's recovery is the rig count, which confirms drillers are in fact returning to the oil patch. The U.S. active rig count reached 824 on March 31, 2017, up from 450 this time a year ago. In our home state of Texas, the overall rig count has grown by more than 200 from last March, with a total rig count of 411 at the end of March (representing half all active rigs in the United States).

Moreover, we are *finally* seeing much-needed regulatory reform on the federal level, which will also help to further support increased development of Texas and U.S. oil and natural gas supplies in the coming months. This will translate into increased employment, tax revenue and growth for our economy. On behalf of the state's independent producers and royalty owners, TIPRO applauds the recent Energy Independence Executive Order issued last week from President Trump that will further unleash America's energy dominance. The new policy measure will provide our country with the opportunity to achieve energy independence in an environmentally responsible way, and will bolster the U.S. E&P sector. It is encouraging to now have a president in place that truly appreciates the importance of energy development to our economy and national security.

Thank you,
Ed Longanecker

State sales tax revenue grows in March

Texas Comptroller Glenn Hegar announced this week that state sales tax revenue was up for March, including collections from the oil and gas sector. According to the comptroller, sales tax revenue totaled $2.24 billion in March, 3 percent more than in March 2016. Specific to oil and natural gas production taxes, Texas collected $297 million, up 177 percent from March 2016. The comptroller notes that this increase was due in part to refunds provided to natural gas severance taxpayers in March 2016, which resulted in artificially low tax collections during that period.

"Overall net growth in sales tax revenue represents mixed performances by major industry sectors," Hegar said. "Collections from the manufacturing, wholesale trade and information sectors increased, while receipts from construction, retail trade and restaurants declined from last year's levels."

Sales tax revenue is the largest source of state funding for the state budget, accounting for 58 percent of all tax collections in fiscal 2016. As part of this coffer, oil and natural gas production taxes comprise one of the largest revenue streams for the state.

TIPRO Calendar of Events

APRIL 12, 2017	MAY 10, 2017	JUNE 14, 2017	JULY 12, 2017
HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.	HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.	HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.	HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.

Texas House approves Railroad Commission reauthorization bill

In Austin, members of the Texas House of Representatives voted Wednesday, March 29th to approve House Bill 1818, known as the Railroad Commission Sunset bill, moving the legislation one step closer to the governor's desk. The legislation, authored by state Representative Larry Gonzales, will allow the agency responsible for overseeing the Texas oil and gas industry to continue to function until the year 2029.

Some state lawmakers attempted to drag controversial topics like immigration and bathroom restrictions for transgender people into the debate over House Bill 1818. However, House Speaker Joe Straus thwarted unrelated measures from being added to the Railroad Commission legislation.

Ultimately, the House adopted five amendments last week to House Bill 1818, including an amendment from Representative Drew Darby to adjust deadlines and other dates for the new annual enforcement report that will be required by the commission under the legislation. In addition, the House accepted an amendment requiring contractors and subcontractors affiliated with the Railroad Commission to run e-verify checks to ensure workers are here legally, as well as approved an amendment to eliminate the alternative fuels program.

The Railroad Commission re-authorization legislation passed the House with a vote count of 123 ayes, 19 nays, and 3 present but not voting. The bill now moves to the Texas Senate.

Texas lawmakers take up budget; remains unclear if state will tap Rainy Day Fund

With a unanimous vote, on March 28, the Texas Senate approved the 2018-2019 budget for the state of Texas. Texas Lt. Governor Dan Patrick said the Senate's version of the budget (CSSB 1) reflects Texans' priorities, and meets the needs of the vast and rapidly growing state despite tough fiscal challenges. "CSSB 1 does not raise taxes. It also does not use the Rainy Day Fund, is well within the state's population growth times inflation and is $500 million less in general revenue than the current budget," said Patrick.

"This is a lean budget, but it's also a smart budget. It responsibly meets the needs of our state and it preserves our principles of fiscal responsibility that have guided us through tough budgets in the past, and I believe it helps us come out stronger on the other side," commented Senate Finance Committee Chair and Flower Mound Senator Jane Nelson.

Now, the full House chamber will take up its version of the budget bill. The House is scheduled to consider the budget on the chamber floor Thursday, April 6. Over 400 amendments were pre-filed, setting the stage for hours-long debate over the state budget bill.

Once the bill passes the House, then each chamber will designate conference committee members to resolve difference between the Senate and House budgets and develop the final version of the bill. One of the largest differences between the House and Senate when it comes to the budget is dipping into state's savings account, the Economic Stabilization Fund, also known as the Rainy Day Fund.

Railroad Commission to host April forum on Permian, Delaware Basins

The Texas Railroad Commission will host a half-day forum on the Permian Basin (Spraberry Trend Area) and Delaware Basin in Midland on the afternoon of Tuesday, April 25, 2017. The event will be held at Midland's Commemorative Air Force Base located at 9600 Wright Drive.

The session will educate oil and gas industry representatives on a variety of topics, including:

- drilling permits;
- completions;
- stacked laterals; and
- website queries.

Registration is required, and seating is limited. For additional event information and to sign up to participate, please visit: http://bit.ly/2nTKDef.

Railroad Commission's San Antonio office to change locations

The San Antonio office of the Railroad Commission of Texas is moving to a new location, the agency has announced. Beginning on April 3, 2017, the new address for the San Antonio district office will be: 112 E. Pecan Street, Suite 705, San Antonio, Texas, 78205. The office's telephone and fax numbers will remain the same.

The Railroad Commission's San Antonio office serves Oil and Gas Division Districts 01 and 02. These districts encompass the following counties: Atascosa, Bandera, Bastrop, Bee, Bell, Bexar, Blanco, Burnet, Caldwell, Calhoun, Comal, Dewitt, Dimmitt, Edwards, Frio, Gillespie, Goliad, Gonzales, Guadalupe, Hays, Jackson, Karnes, Kendall, Kerr, Kinney, LaSalle, Lavaca, Live Oak, Llano, McMullen, Mason, Maverick, Medina. Milam, Mitchell, Real, Refugio, Travis, Uvalde, Val Verde, Victoria, Williamson, Wilson and Zavala.

Texas seeks to join fight against BLM flaring rule

While federal flaring and venting regulations may ultimately be doomed under the Trump administration, the state of Texas has nevertheless decided to join the legal fight to stop the rules adopted last year by the U.S. Bureau of Land Management (BLM). Texas Attorney General Ken Paxton announced on Tuesday, March 21st that the state has filed a motion seeking to intervene in a lawsuit challenging the BLM's 2016 rule that creates redundant, expensive and unlawful regulation of methane gas venting and flaring on federal land.

"This is yet another case of gross federal overreach in which the Bureau of Land Management exceeded its legal authority, bypassing Congress to implement an unlawful rule on methane gas," Attorney General Paxton said. "The regulation has negligible environmental benefit and adds additional cost to both Texas and the oil and gas industry by creating more red tape."

The rule would require oil and gas producers to use currently available technologies and processes to cut flaring in half at oil wells on public and tribal lands. Other parts of the final rule will force operators to periodically inspect their operations for leaks, and replace outdated equipment that vent large quantities of gas into the air. Operators also would have to limit venting from storage tanks and use best practices to limit gas losses when removing liquids from wells. The rule also clarified when operators owe royalties on flared gas, and restored the government's congressionally authorized flexibility to set royalty rates at or above 12.5 percent of production values.

The U.S. House voted in February to invoke use of the Congressional Review Act (CRA) to reverse the BLM's duplicative and burdensome methane and flaring rule. The resolution still has yet to be approved by the Senate and signed by President Donald Trump.

President Trump overturns BLM land planning rule

On March 27, 2017, President Donald Trump signed into public law H.J. Res. 44 overturning the Bureau of Land Management (BLM) Planning 2.0 rule that had granted power to Washington bureaucrats to centrally manage resources over large swaths of land, especially out west. Opponents of the BLM rule considered the regulation to be yet another example of federal overreach, stripping state and local governments of authority to manage resources and land inside their own communities. U.S. Representative Liz Cheney (Wyoming), author of the resolution, commented: "Planning 2.0 would have given the federal government and radical environmental groups control over land use and resource planning in our state, at the expense of local officials and stakeholders. With the dissolution of this rule, we will be able to stop one more Obama Administration policy that was part of an eight-year war on the west... I applaud President Trump for keeping his campaign promises to end federal overreach and return authority to our states and local communities."

Supreme Court to continue review of Waters of the U.S. rule

Although the Trump Administration has initiated dismantling the 'Waters of the United States' (WOTUS) rule promulgated by the U.S. Environmental Protection Agency (EPA), the United States Supreme Court announced this week that the high court will nonetheless continue hearing litigation over the Clean Water Rule.

Calling the WOTUS regulation "a horrible, horrible rule," in February, President Trump signed an executive order to compel the U.S. EPA and the U.S. Army Corps of Engineers to review and revise or rescind the controversial rule, which expanded the federal government's regulatory authority over bodies of water under the Clean Water Act. In light of the president's executive order, the administration requested that the court system pause its consideration of litigation surrounding the water policy as the federal government works to overturn the regulation. In early April, the Supreme Court rejected the request, saying it will proceed with considering the case over the water rule.

The case before the Supreme Court does not pertain to the actual provisions of the rule, but rather will determine which lower court holds the appropriate jurisdiction to take up legal challenges concerning WOTUS. The Court of Appeals for the Sixth Circuit previously ruled that it has the primary jurisdiction over the case, consolidating cases filed in dozens of other federal circuit and district courts. Critics of the federal water rule hope to overturn that opinion, while supporters want the court case to stay consolidated at the Sixth Circuit level.

United States can be both pro-energy and pro-environment, assures EPA chief

As President Donald Trump issued an executive order in late March to overhaul the nation's energy policies, Scott Pruitt, administrator of the U.S. Environmental Protection Agency (EPA), signaled that job growth and a healthy environment in the United States are not mutually exclusive.

"We need a pro-growth and pro-environment approach for how we do regulations in this country. For too long, we have accepted a narrative that if you're pro-growth, pro-jobs, you're anti-environment. That's not where we have been as a country. We have made tremendous progress on our environment, we can be both pro-jobs and pro-environment," Pruitt said during a recent interview on *This Week with George Stephanopoulos.*

EPA: States have no obligation to comply with Clean Power Plan

Acting on President Trump's recent Energy Independence Executive Order, U.S. Environmental Protection Agency (EPA) Administrator Scott Pruitt sent letters to state governors on March 30th advising them that they are under no obligation to adhere to the Clean Power Plan (CPP) rule. Under the presidential order, the EPA will pull back the CPP, which was stayed by the Supreme Court last year. As such, in his letter to the states, Administrator Pruitt informs state leaders that "it is the policy of the EPA that states have no obligation to spend resources to comply with a rule that has been stayed by the Supreme Court of the United States."

"The days of coercive federalism are over. Accordingly, I look forward to working with you, your state experts and local communities as we develop a path forward to improve our environment and bolster the economy in a manner that is respectful of and consistent with the rule of law," the letter from Pruitt reads.

Texas helped to lead a 27-state coalition that legally challenged the EPA's Power Plan on Oct. 23, 2015, the same day the rule was published. That coalition later successfully halted the rule's enforcement by winning a historic stay of the regulation before the U.S. Supreme Court. Prior to his current role as acting administrator of the EPA, then Oklahoma Attorney General Pruitt was party to the lawsuits against the EPA seeking to challenge the Clean Power Plan.

Interior Department announces immediate action to advance American energy

In accordance with President Trump's recent Energy Independence Executive Order, in late March, U.S. Secretary of the Interior Ryan Zinke signed two secretarial orders to advance American energy independence. Secretarial Order 3348 approved by Zinke overturns the 2016 moratorium on all new coal leases on federal land and ends the programmatic environmental impacts statement that was set to be completed no sooner than 2019. In addition, Secretarial Order 3349 activates the review of agency actions, as requested by President Trump. It also prompts reexamination of the mitigation and climate change policies and guidance across the Department of the Interior. The order establishes a timetable for review of agency actions that could be hampering responsible energy development as well as provides for the reconsideration of regulations related to U.S. oil and natural gas development.

"Today I took action to sign a series of directives that put America on track to achieve the president's vision for energy independence and bringing jobs back to communities across the country" said Secretary Zinke. "American energy powers our national and local economies. But for too many local communities, energy on public lands has been more of a missed opportunity and has failed to include local consultation and partnership. Today's orders allow for Americans to benefit from safe and environmentally responsible development on federal lands and put America on track for energy independence."

Interior Department to repeal Federal Energy Valuation Rules

On April 3, 2017, the U.S. Department of the Interior announced a proposal to repeal the Consolidated Federal Oil & Gas and Federal & Indian Coal Valuation Reform Rule (2017 Valuation Rule) in its entirety. In addition, the Interior Department concurrently published an Advance Notice of Proposed Rulemaking seeking comments on whether revisions are appropriate or needed to the pre-existing regulations governing royalty values, including comments on whether the 2017 Valuation Rule should ultimately be retained or re-promulgated, in whole or in part. The Interior's Office of Natural Resources Revenue (ONRR) - which is responsible for collection of mineral revenue payments -- already had suspended implementation of the 2017 Valuation Rule due to legal challenges currently under consideration by the courts.

Though the intent behind the original 2017 Valuation Rule was to establish greater simplicity, certainty, clarity and consistency, ONRR officials say, the office has since identified sections of the rule that warrant reconsideration.

The proposal to repeal the Consolidated Federal Oil & Gas and Federal & Indian Coal Valuation Reform Rule as well as the Advanced Notice of Proposed Rulemaking have been published in the Federal Register, and will be open for a 30-day public comment period.

In a related development, two top Democrats in Congress have formally asked the U.S. Government Accountability Office (GAO) to conduct an assessment of the ONRR's royalty collection program to ensure that royalty revenues are paid accurately and the American people are receiving the proper amount as owed for extractions of publicly owned minerals. The request came as Interior Secretary Ryan Zinke announced the creation of a Royalty Policy Committee at the department that will provide regular advice to the secretary on the fair market value of and collection of revenues from Federal and Indian mineral and energy leases, include renewable energy sources.

U.S. House votes to reform EPA Science Advisory Board

At the end of March, the U.S House of Representatives voted to approve House Resolution 1431, *the EPA Science Advisory Board (SAB) Reform Act of 2017,* geared towards restoring the independence of the EPA's leading advisory committee and promoting fairness, transparency, and public participation to ensure unbiased scientific advice.

The SAB was established in 1978 by Congress to advise the EPA on scientific and technical matters. The advisory board provides peer review and other types of expert advice to the agency on a wide range of topics in science and technology. The SAB is authorized to: review the quality and relevance of the scientific and technical information being used by the EPA or proposed as the basis for agency regulations; review EPA research programs and plans; provide science advice as requested by the EPA administrator, and advise the agency on broad scientific matters.

In more recent times, members of Congress have been asked to reform the EPA's advisory board amid concerns over the SAB. Under House Resolution 1431, registered lobbyists may not be appointed to the board. Also, SAB members may not have current grants or contracts from the EPA and may not apply for them for three years following the end of their board term. Further, under the legislation, the EPA must provide draft risk or hazard assessments in its regulatory proposals and documents to the board. The board's advice and comments must be included in the record regarding those proposals and published in the Federal Register.

"Sound science must be the cornerstone of sound policy. This principle holds true regardless of which party controls Congress or who sits in the Oval Office. One way we can promote smart policymaking is by ensuring the research that goes into our decisions is transparent and unbiased. I'm pleased the House took action to improve the Science Advisory Board so that the most qualified and objective experts are free to undertake an honest review of regulatory science," said Congressman Frank Lucas (R-Oklahoma), vice chairman of the House Science, Space, and Technology Committee and author of the congressional resolution.

Congress acts to make the EPA more transparent

Last week, the U.S. House of Representatives passed House Resolution 1430, *the Honest and Open New EPA Science Treatment Act of 2017* (HONEST Act), by Science, Space, and Technology Committee Chairman Lamar Smith (R-Texas), to restrict the kind of scientific studies and data that the Environmental Protection Agency (EPA) can use to justify new regulations. The HONEST act would force EPA regulations to be based only upon science that is publically available in efforts to make the agency more transparent and accountable.

"The American people have a right to see the data that is used to justify EPA's costly regulations. The HONEST Act requires EPA to base new regulations on sound science that is publically available, and not hidden from the American people," said Texas Congressman Lamar Smith, chair of the House Science, Space and Technology Committee. "The days of 'trust me' science are over. Allowing EPA's data to be independently reviewed promotes sound science that will restore confidence in the EPA decision-making process. With House passage of this critical bill, we are one step closer to a more open and honest EPA."

Critics of the HONEST Act have implied that the legislation would prevent the EPA from functioning effectively and hamstring the federal agency by limiting its use of the most relevant scientific data.

Senate democrats urge SEC to re-issue disclosure rules for oil and gas drillers

A group of 12 U.S. senators have reached out to leadership of the U.S. Securities and Exchange Commission (SEC) requesting that the commission re-issue anti-corruption rules for the oil and gas industry, following the congressional repeal of similar industry requirements earlier this year.

Congress killed disclosure requirements for U.S. extraction companies by passing a Congressional Review Act (CRA) resolution in February. President Trump signed off on the legislation (House Joint Resolution 41), which eliminated a costly SEC regulation finalized in 2016 that threatened to put domestic extraction companies at an unfair disadvantage. The resolution signed into law by the president reversed burdensome Dodd-Frank regulations on the energy industry by blocking a SEC requirements which forced American oil and natural gas companies to disclose payments made to foreign governments.

In a letter sent April 4th to SEC commissioners, the democratic senators argue that "this anti-corruption transparency rule is necessary, particularly in times of conflict and market volatility. In such an environment, transparency provides investors with essential clarity on the operations of company projects and their exposure to material reputational, expropriation, sanctions and other risks, which may be critical to their decision-making. Likewise, transparency is a critical tool to ensure that citizens in resource-rich countries can monitor the economic performance of oil, gas and mining projects and ensure that such revenues are used responsibly."

In spite of the request by U.S. senators, re-writing similar rules could pose a problem for the SEC, however, due to a CRA provision that prevents federal agencies from preparing new rules "substantially similar" to those that were revoked under the CRA.

U.S. State Department approves Keystone Pipeline

On March 24, 2017, the United States Department of State approved the Presidential Permit for the Keystone XL Pipeline, allowing for the construction of the 36-inch-diameter crude oil pipeline that will transport oil from Alberta, Canada to refineries in the United States.

"This is a significant milestone for the Keystone XL project. We greatly appreciate President Trump's Administration for reviewing and approving this important initiative and we look forward to working with them as we continue to invest in and strengthen North America's energy infrastructure," said Russ Girling, TransCanada's president and chief executive officer. The construction of the Keystone Pipeline is expected to create tens of thousands of well-paying jobs and generate substantial economic benefit throughout the U.S. and Canada.

During his first days as president, on January 24, 2017, Donald Trump issued a presidential memorandum to revive the Keystone XL Pipeline project, which was previously rejected by the former administration. Under the president's directive, TransCanada was invited to re-submit its application to the U.S. Department of State for approval of a Presidential Permit to allow for construction of the Keystone XL pipeline.

President Trump expected to make decision on Paris climate agreement by May

During a daily press briefing last week, White House Press Secretary Sean Spicer told reporters that aides are currently reviewing U.S. participation in the international Paris Climate Accord, with the president expected by late May to make a final decision on whether the U.S. will drop out of the climate deal. The pact, ratified in 2016, joins together nearly 200 nations under the common goal of taking action to combat climate change.

Spicer indicated that the Trump administration anticipates announcing a final decision on the Paris agreement by May 26 — the beginning of a conference for the Group of Seven (G7) industrialized countries — or even sooner.

New study quantifies detrimental effects from 'Keep it in the Ground' movement

Policies restricting domestic production of fossil fuels -- including those advocated for by the 'Keep it in the Ground' movement" -- would have a profound economic impact on the United States, sacrificing American jobs, jeopardizing the nation's energy independence, and increasing U.S. household energy bills, highlights a new report commissioned by the American Petroleum Institute (API). The study reviews the implications if ever there were no new private, state, or federal oil and natural gas leases; a complete ban on hydraulic fracturing; no new coal mines or expansion of existing mines; and no new energy infrastructure including pipelines. The API study, released on April 5, 2017, estimates the quantitative impact wherein no new fossil fuel production development occurs in the United States for the next 20 years.

Key findings of the study include:

- Loss of 5.9 million jobs
- Loss of $11.8 trillion in cumulative GDP
- Potential increase of $4,552 annual energy expenditures per household
- Potential increase of $40 in the price of a barrel of crude oil (WTI)
- Potential increase of $21 in the cost of natural gas (MMbtu)
- Potential increase of 56.4 percent in retail electricity prices

"Cutting U.S. oil and natural gas production wouldn't magically reduce world energy demand," said API President Jack Gerard. "But it could raise costs significantly for American families and manufacturers, profoundly damage the U.S. economy, diminish our geopolitical influence, and severely weaken our energy security. With forward-thinking energy policies, we can ensure the U.S. energy renaissance continues to provide benefits for American consumers, workers and the environment."

To read the full report, visit: http://bit.ly/2p2kLfi.

State of Maryland bans hydraulic fracturing

Maryland Republican Governor Larry Hogan on Tuesday signed a bill that indefinitely bans hydraulic fracturing for oil and natural gas in Maryland, making the state only one of a few in the nation to outright ban the practice. The prolific Marcellus Shale skirts the western edge of the state of Maryland, which otherwise could have lent drilling opportunities for producers wishing to tap into the state's natural gas reserves.

Maryland families, jobs, government revenue and energy security will be hurt by the fracking ban, said Drew Cobbs with the Maryland Petroleum Council (MPC). "This politically motivated decision moves Maryland further away from the state's economic and environmental goals. Denying Maryland consumers, businesses and job-seekers the benefits that come with in-state energy production through hydraulic fracturing shuts the door on an important share in the American energy renaissance and Western Maryland's future economic growth."

Since 2015, Maryland has had in place a moratorium for hydraulic fracturing that was due to expire in October of this year. Now, with Governor Hogan's approval, the state has made the ban against fracking activities permanent.

TIPRO

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.

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