



**Texas  
Independent  
Producers and  
Royalty Owners  
Association**

## TEXAS RAILROAD COMMISSION HOPES TO ADD MORE OIL AND GAS INSPECTORS, BOOST IT MODERNIZATION

On Thursday, February 9, 2017, Railroad Commission Chairman Christi Craddick presented the agency's 2018-19 biennial budget request to members of the Texas Senate Finance Committee, asking that the state legislature provide the commission with an additional \$44.5 million over the next biennium to help offset lost revenue at the agency amid the downturn in the oil and gas industry. The extra monetary

support from the state would be used to plug abandoned wells in Texas, garner necessary funding to ensure well inspections keep happening in Texas oilfields, provide technological upgrades at the commission, and more.

In its budget request, the Railroad Commission is also asking state lawmakers for an additional \$16.1 million in funding to ensure the commission may continue to meet its mission of protecting public safety and the environment. According to the Railroad Commission, these funds would be used for staff retention through salary parity with other state agencies, provide for additional oilfield safety and pipeline safety inspectors and enhance the agency's enforcement tracking capabilities. Exceptional item requests specifically include:

- Priority 1: Salary Parity; \$4.3 million {biennial total}
- Priority 2: Additional Inspectors for Enhanced Oilfield Safety and Pipeline Integrity Initiative; \$8.8 million and 55 Full-Time Equivalent (FTE) employees {biennial total}
- Priority 3: Inspection / Enforcement Tracking and Reporting System; \$3 million and 7 FTEs {biennial total}

TI PRO also testified before the Senate Finance Committee last week in support of a fully-funded Railroad Commission.

## TEXAS CONGRESSMAN PUSHES LEGISLATION TO MOVE ALL FRACTURING REGULATION TO THE STATES

Known as the "FRESH" Act, legislation introduced in Congress this month calls for the transfer of all regulation of hydraulic fracturing activities to state governments, and would allow states to hold the ability to aggressively and responsibly develop energy resources on federal lands. The "Fracturing Regulations are Effective in State Hands" or "FRESH" Act, introduced on February 7<sup>th</sup> by U.S. Representative Louie Gohmert (R-Texas), explicitly asserts that a state is the only authorized entity to regulate hydraulic fracturing on any land located within its borders. This policy would therefore take the federal nexus away.

"In the wake of the overreaching and unaccountable Obama Administration, the need to ensure that states have sole authority to regulate hydraulic fracturing is more apparent than ever. Texas agencies are routinely much more accountable, more knowledgeable of the fracturing and production procedures used in Texas, and much less indiscriminate, while being focused like a laser on the very air, water, environment that the Texas agency members have to breathe, drink, and live in, much more so than DC-entrenched bureaucrats," said Representative Gohmert. "With the prospects of a new energy-and-job-friendly administration, there is a real opportunity to restore the principles of federalism and the Tenth Amendment while preventing burdensome and overreaching Washington regulations from stymying job creation in Texas at the same time they increase the cost of gasoline and energy."

U.S. Senator Jim Inhofe (R-Oklahoma), who has introduced the companion legislation in the U.S. Senate, reinforced the need for state regulators to remain at the helm of managing hydraulic fracturing operations and domestic energy development in the United States. "Hydraulic fracturing is critical to our domestic energy production, supporting economic competitiveness and national security. Unfortunately, the federal government has been seeking to burden the industry with red tape, duplicating state regulations, making our energy production more expensive and preventing the United States from achieving greater energy independence," said Senator Inhofe. "States are doing a great job, and we should keep them in the driver's seat, which is why the FRESH Act should be enacted," he added.

The "FRESH" Act is a reintroduction of last Congress' S.828, which had 28 cosponsors.

***"States such as Texas have the intricate knowledge and first-hand expertise necessary to properly regulate this energy without the need for a federal, one-size-fits-all approach that has been destructive and costly to our nation's energy interests. For these reasons, it is time to put people to work producing our own energy, which sends less money to countries that do not like us, all while lowering the cost of living. This is one of those bills that is good all the way around."***  
***Congressman Louie Gohmert***

## PRESIDENT'S MESSAGE

TIPRO Members,

As our state legislators begin the process of reviewing agency budget proposals for the next biennium, last week I was glad to voice our association's support of fully funding the Texas Railroad Commission by testifying before members of the Senate Finance Committee. The regulatory functions performed by this state agency help to protect public safety and the environment in the state of Texas. A fully-funded and functioning Railroad Commission is also critical in supporting the oil and gas industry, which directly employs hundreds of thousands of Texans and provides billions of dollars in tax revenue on an annual basis, especially as market conditions improve and industry activity starts to increase.

As I explained in my testimony to the Finance Committee, TIPRO is advocating for the 2018-19 budget as requested by the Railroad Commission. We also support the Railroad Commission's request to dedicate the gas utility tax to the Commission's Oil and Gas Regulation and Cleanup Fund General Revenue Dedicated Account. The gas utility tax generates approximately \$24 million per fiscal year from our industry and is currently distributed to the State's General Revenue Account. This source of revenue remains one of the only fees the Railroad Commission collects, but is unable to utilize for agency operations. The transfer of this fee would help to provide greater stability for the agency long-term and address the inevitable volatility we will experience in the future.

Additionally, TIPRO also supports the \$16 million in exceptional items that the Railroad Commission is requesting for salary parity and enforcement tracking and reporting systems. These items are essential for the agency to carry out the responsibilities required by our state constitution. TIPRO supports utilizing revenue already generated by Texas oil and natural gas activities to fill budget gaps and opposes increasing fees and taxes on an industry that has struggled over the past two years.

While making our case last week for a fully funded Commission in the Senate, the leader of the House chamber, Speaker Joe Straus, was busy naming House committee chairs, including the appointment of Representative John Zerwas as the chair of the House Appropriations Committee - the counterpart to the Senate Finance Committee.

Now that House chairmanships have been decided, TIPRO's next steps will include making our case in front of the House Committee on Appropriations and continuing to work with the members of both committees and on select workgroups who will specifically develop the budget for the Railroad Commission. The Senate and House chambers alternate every session taking the lead on the budget legislation, this session, the Senate will develop the initial bill. Once the full Senate approves the budget the House will make amendments they deem appropriate and will send it back to the Senate where a conference committee made up of five senators and five house members will work collectively to develop the final budget for approval from both chambers.

This is a tight budget cycle for the state, mainly due to the decrease in commodity prices over the past few years. This is why it's pertinent that as an association representative of the oil and gas industry, we continue to fight for the agencies budget needs without allowing the opportunity for increased fees and/or additional taxes.

Thank you,  
Ed Longanecker



**Ed Longanecker**

## TEXAS SENATE FINANCE CHAIR APPOINTS WORKGROUPS TO STUDY BUDGET REQUESTS

On Tuesday, February 14, Texas Senator Jane Nelson appointed workgroups to develop final recommendations for Senate Bill 1, the Senate's base budget, as the Senate Finance Committee finished its first four weeks of budget hearings.

"We have had four productive weeks of hearings and heard extensive testimony on each agency budget request. Senate Bill 1 is a starting point, and now we turn our attention to making decisions about our funding priorities," said Senator Nelson. The legislative committee promptly began hearings on January 24, 2017, and was presented with budget requests from 167 agencies, boards and commissions. The Texas Railroad Commission, along with other agencies that oversee natural resources in the state, fall under Article VI.

Senator Nelson appointed the following Senators to serve on the finance workgroups:

- Articles I, IV & V - Senator Huffman, Chair; Senators Hancock; Hinojosa; Kolkhorst; and Whitmire
- Article II - Senator Schwertner, Chair; Senators Birdwell; Kolkhorst; Uresti; and Watson
- Article III - Senator L. Taylor, Chair; Senators Bettencort; Hancock; Seliger; and West
- Article VI, VII & VII - Senator Nichols, Chair; Senators Bettencort; Hinojosa; Seliger; and Watson

### TIPRO Calendar of Events

FEBRUARY 27-28, 2017	MARCH 15, 2017	APRIL 12, 2017	MAY 10, 2017
AUSTIN — TIPRO's 71 <sup>st</sup> Annual Convention, Sheraton Hotel by the Capitol.	HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club.	HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club.	HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club.
For info, call: (512) 477-4452.	For info, call: (202) 857-4733.	For info, call: (202) 857-4733.	For info, call: (202) 857-4733.

## SUNSET ADVISORY COMMISSION DELIVERS FINAL REPORT TO 85<sup>TH</sup> LEGISLATURE

With the 85<sup>th</sup> Texas Legislative Session already underway, on February 10, 2017, the Sunset Advisory Commission delivered to the legislature its final report detailing recommendations on the 24 entities that were subject to Sunset review, including the commission's evaluation on the Railroad Commission of Texas. This biennium, the Sunset Commission conducted a total of 24 reviews, adopting 371 recommendations for the legislature to consider to improve the agencies under review.

“These recommendations to the 85<sup>th</sup> Legislature intend to streamline government, while enhancing services to our citizens. Notable improvements include abolishing or consolidating five individual boards or agencies, eliminating many unnecessary regulations, and strengthening agencies' ability to effectively oversee health professions. Overall, the Sunset Commission's recommendations will position these agencies to best meet the challenge of cost effectively delivering outstanding services to the citizens of Texas. If implemented, these recommendations would result in a positive fiscal impact to the state of about \$2.9 million over the next five fiscal years,” said Representative Larry Gonzales and Senator Van Taylor, leaders of the Sunset Commission.

In its final report for the legislature, the Sunset Commission determined that the Railroad Commission requires no major structural changes to the agency, and assessed that a change to the agency's name was not needed. The Sunset Commission has advised legislators to continue the Railroad Commission for 12 years, retaining the agency's name. Sunset members did encourage improvements to the agency's oil and gas enforcement program, recommending that the regulatory agency develop a strategic plan that tracks and measures the program's success and also conducts regular audits. This latest review of the Railroad Commission was the third evaluation of the agency to be completed by the Sunset Commission since 2010.

## SUNSET CHAIRMAN FILES LEGISLATION TO CONTINUE TEXAS RAILROAD COMMISSION

Legislation filed this week in the Texas House calls for the continuation of the Railroad Commission of Texas for the next 12 years. State Representative Larry Gonzales, who chaired the Sunset Advisory Commission this past interim session, filed House Bill 1818 on Monday, February 13<sup>th</sup> to put into effect a number of recommendations as provided by the Sunset Commission following the recent Sunset review of the oil and gas regulatory agency.

Amongst provisions of House Bill 1818, the Railroad Commission would be directed to strengthen its oil and gas monitoring and enforcement activities. Under the proposed legislation, the commission would be also required to publish an Annual Strategic Plan as well as generate a special report each year on oil and gas monitoring and enforcement activities conducted by the agency. Additionally, the bill will allow the commission to assess permit and registration fees for pipeline operators to help offset costs of the pipeline safety and regulatory program.

Passage of the Sunset legislation that would continue the Texas Railroad Commission is a top priority for TIPRO this session.

## COMMITTEE ASSIGNMENTS ANNOUNCED FOR TEXAS HOUSE OF REPRESENTATIVES

Committee assignments in the Texas House of Representatives for the 85<sup>th</sup> Legislature have been announced by House Speaker Joe Straus. There are 38 standing committees total in the House. In addition, the speaker has also established two select committees in the House chamber: one to monitor state and federal power and responsibility, and another to focus on Texas ports, innovation and infrastructure.

Of the new committee assignments, Speaker Straus commented, “We want to utilize members' strengths and allow them to work on issues that matter to their districts.”

Eight members will chair committees for the first time, while 11 returning chairs are now leading new committees, according to Speaker Straus. “Some very good Members are taking on new challenges. I'm looking forward to their leadership. There is always a balance to strike between continuity and fresh thinking, and I think we have the right mix.”

Representative Drew Darby (R-San Angelo) has been reappointed as chair of the House Energy Resources Committee this legislative session, and Representative Charles "Doc" Anderson (R-McLennan) will preside as vice chair of the legislative panel.

The complete membership of the House Energy Resources Committee will include: Representatives Greg Bonnen, Terry Canales, Travis Clardy, Tom Craddick, R.D. “Bobby” Guerra, Jason Isaac, Phil King, Stan Lambert, Brooks Landgraf, Leighton Schubert, and Armando Walle.

Meanwhile, Representative Lyle Larson (R-San Antonio) will chair the House Natural Resources Committee, with Representative Dade Phelan serving as vice-chair. Other legislators appointed to the House Natural Resources Committee for the 85<sup>th</sup> Legislative Session include: Representatives Tracy King, Eddie Lucio III, Four Price, Trent Ashby, DeWayne Burns, James Frank, Kyle Kacal, Poncho Nevarez, and Paul Workman.

To view all of the committee appointments made by Speaker Straus, visit: [www.house.texas.gov/\\_media/pdf/committee.pdf](http://www.house.texas.gov/_media/pdf/committee.pdf). House committees will begin meeting in the coming days.



## **RAILROAD COMMISSION TO PUBLISH ADDITIONAL OIL AND GAS ENFORCEMENT DATA ONLINE**

The Texas Railroad Commission (RRC) announced on Thursday, February 16, that additional data relating to oil and gas enforcement will now be added to the agency's website each quarter as part of the RRC's continued commitment to informing Texans about the agency's actions to protect public safety and the environment. According to the commission, beginning with the first quarter Fiscal Year 2017 report, new enforcement information posted online will include:

- Number of oil and gas facility inspections with no violation
- Number of statewide oil and gas rule violations
- Number of major statewide oil and gas rule violations
- Number of district-initiated severance/seal orders

The commission also announced Thursday that it is updating its definition of major oil and gas violations. Major violations will now be defined as "a safety or pollution-related violation that causes a significant impact to public safety or the environment, is accompanied by conditions that indicate a significant impact to public safety or the environment is imminent, or is the result of deliberate disregard of Commission rules and regulations related to public safety or environmental protection." Major violations will also be reported at the time of discovery in the field rather than at the time of referral for penalty action, as recommended by the Sunset Advisory Commission.

## **CONGRESSIONAL RESOLUTION WOULD UNDO RECENT CHANGES TO OIL, GAS VALUATION ON PUBLIC LAND**

A new joint resolution filed in Congress this week looks to unravel a 2016 Interior Department rule that had adjusted the method for calculating the value of oil, gas and coal extracted on public lands. H.J.Res.71 — introduced on February 13<sup>th</sup> by U.S. Representative Scott Tipton (R-Colorado) along with House Majority Whip Steve Scalise (R-Louisiana) — invokes the Congressional Review Act (CRA) to discontinue the changed methodology passed last June under the Obama Administration for assessing royalty payments from the value of oil, gas and coal.

Congressional Republicans are also looking to utilize the CRA to roll back a number of other environmental regulations adopted under the Obama Administration, including methane regulations for the oil and gas sector imposed last year by the Bureau of Land Management.

## **SCIENTIFIC INTEGRITY ACT FILED TO PROTECT SCIENTISTS FROM POLITICAL INTERFERENCE**

Nearly 30 Democratic lawmakers in the U.S. Senate have co-sponsored legislation that moves to protect government scientists from political interference. The Scientific Integrity Act (S.338) was introduced on February 7<sup>th</sup> after reports had been circulated alleging Trump administration officials had placed gag orders on employees and scientists at the Environmental Protection Agency (EPA). This bill would reaffirm in statute the principle of open communication of scientific findings, prevent the suppression of scientific findings, and would ensure that scientists are allowed to communicate their findings with the public, press, and Congress.

U.S. Senator for New Mexico Tom Udall, one of the cosponsors of the bill, said of the Scientific Integrity Act: "Science should never be silenced... Attempts to squash scientific endeavors to advance purely ideological or political agendas will greatly damage our nation's ability to develop new technologies and compete in the global economy. Our capacity to seize opportunities before us and deal with the many challenges that we face, rests heavily on our ability to make policy that is driven by facts, by data, and by science."

More than 5,000 scientists, including many Nobel Prize winners, have reportedly signed an open letter since November urging the president and Congress to preserve scientific integrity when crafting new policy measures.

## **CONGRESSMEN PRESSURE EPA, ENERGY DEPARTMENT TO FIND "CLEAR PATH" TO BUDGET SAVINGS**

Federal regulatory agencies including the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Energy (DOE) have been directed by congressional leaders of the U.S. House Committee on Energy and Commerce to identify administrative waste and ascertain "a clear path" to achieve significant budget savings in the next five years.

Letters from U.S. Representative Greg Walden (R-Oregon), chairman of the Energy and Commerce Committee, and U.S. Representative Tim Murphy (R-Pennsylvania), chairman of the Oversight and Investigations subcommittee, were sent Friday, February 10<sup>th</sup> to the cabinet-level departments under the panel's jurisdiction, including the EPA and DOE, as well as the U.S. Department of Commerce and the U.S. Department of Health and Human Services. In the letter, the two lawmakers cite a report from 2015 by a Department of Defense Advisory Panel, in which officials had described a so-called "clear path" that would allow the Pentagon to save up to \$125 billion in five years by cutting government waste. Walden and Murphy are now asking if similar internal studies may have been conducted at the EPA and the other federal entities, identifying unnecessary and wasteful agency spending. "We look forward to working cooperatively and constructively with you in streamlining administration of programs and achieving significant budget savings," the letters read.

The House Committee on Energy and Commerce requested that the information on possible budget savings be provided by the four respective federal agencies no later than March 10, 2017.

Meanwhile, incoming leadership under the Trump Administration likewise has called for significant budget cuts to be made at government agencies such as the EPA. During his campaign for office, President Trump himself repeatedly promised to crack down on "tremendous waste, fraud, and abuse" in the federal government.

## CONGRESS PLACES BULL'S-EYE ON UNNECESSARY FEDERAL FRACTURING REGULATIONS

Though members of Congress earlier this month filed legislation to move primary regulatory oversight of hydraulic fracturing to the states, in a separate move, a group of U.S. Senators has introduced a different bill in Congress that would address duplicative hydraulic fracturing regulations on the federal level. The “Protecting States’ Rights to Promote American Energy Security Act,” introduced in mid-February by Senators Orrin Hatch (R-Utah), John Barrasso (R-Wyoming), and Mike Enzi (R-Wyoming), would amend the Mineral Leasing Act to ensure that oil and gas-producing states are protected from redundant hydraulic fracturing regulations from Washington if state governments are already effectively regulating the practice.

“Hydraulic fracturing is a principal reason America has created thousands of jobs, increased our energy security, and lowered energy costs for families and businesses,” Barrasso said. “For years, Wyoming and other western states have enforced the country’s most aggressive hydraulic fracturing regulations—regulations that also apply to federal lands within our borders. This bill would ensure that states—not Washington—can continue to lead in this important part of our economy.”

## FEDERAL LAWMAKERS LOOK TO REFORM ENDANGERED SPECIES ACT

U.S. Senator for Texas John Cornyn filed legislation this week to alter provisions of the Endangered Species Act (ESA), a government policy that for years many have argued is regularly abused and in much need of reform. The bill by Senator Cornyn, titled “the ESA Settlement Reform Act,” would give states, counties, and affected local parties a voice in the closed-door settlement process of ESA litigation between special interest groups and the U.S. Fish and Wildlife Service (USFWS). Senator Cornyn has introduced similar legislation during previous sessions of Congress.

“By giving states, counties, and local landowners a seat at the table, this bill will bring some much-needed transparency to the ESA settlement process. This will ensure Washington bureaucrats can’t run roughshod over Texas landowners and job creators,” commented the senator.

The Texas official also has introduced “the 21<sup>st</sup> Century Endangered Species Transparency Act” to require the secretaries of the Department of Interior and Commerce to make the best scientific and commercial data publicly available on the internet as it relates to future listings and de-listings under the ESA.

Meanwhile, in recent weeks, Texas Congressman Pete Olson re-introduced one of his previous bills, “the Listing Reform Act,” to change the process of listing a species as endangered or threatened under the ESA. Currently, any organization may petition the federal government to provide protection of a species -- a practice heavily relied on by environmental activists. These activists then sue the government over the petition for a listing, forcing a settlement that in turn imposes arbitrary deadlines for a decision over the status of respective species, limiting the ability of federal regulators to properly prioritize petitions for listing a species. “The Endangered Species Act was enacted to protect truly endangered species, not be used as a political weapon for extreme environmentalists,” Representative Olson said. “Protecting endangered species can and should be done in a practical way. The government should have the flexibility to act quickly and practically on listing and delisting petitions.” Olson’s policy proposal also would require review of the economic cost of providing a species with protections under the ESA before a listing determination is completed.

## PRESIDENT TRUMP ELIMINATES DISCLOSURE REQUIREMENTS FOR U.S. EXTRACTION COMPANIES

In an effort to “get government out of the way,” President Donald Trump signed off on legislation (House Joint Resolution 41) on February 14<sup>th</sup> to eliminate a costly regulation that threatened to put domestic extraction companies at an unfair disadvantage. The measure reverses burdensome Dodd-Frank regulations on the energy industry by blocking a Securities and Exchange Commission’s rule finalized in 2016 that required American oil and natural gas companies to disclose payments made to foreign governments. “By halting this regulation, the President has removed a costly impediment to American extraction companies helping their workers succeed. This legislation could save American businesses as much as \$600 million annually in regulatory compliance costs and spare them 200,000 hours of paperwork,” said the White House.

## RRC CHAIR CHRISTI CRADDICK, REPRESENTATIVE TOM CRADDICK ADDED TO TIPRO LINE-UP

Christi Craddick, chairman of the Texas Railroad Commission, will join members of the Texas Independent Producers & Royalty Owners Association (TIPRO) at the organization’s 2017 Annual Convention to be held in Austin later this month. Chairman Craddick will offer remarks at the TIPRO luncheon on Tuesday, February 28.

TIPRO is also excited to announce that former Speaker of the House Tom Craddick will also participate in the TIPRO Convention this year. Representative Craddick of Midland will speak to TIPRO during the Chairman’s Dinner on the evening of February 28.

## LAST CHANCE TO REGISTER FOR TIPRO’S 71<sup>ST</sup> ANNUAL CONVENTION!

TIPRO’s 2017 Annual Convention is less than two weeks away! Members who have not yet registered for the association’s annual meeting are encouraged to sign up today to participate in the TIPRO’s convention, which will take place February 27-28 in Austin at the Sheraton Austin Hotel by the Capitol -- see the complete event agenda and registration form on the pages that follow. Online registration is also still available through TIPRO’s website at [www.tipro.org](http://www.tipro.org).



# AGENDA

TIPRO's 71<sup>st</sup> Annual Convention

Austin, Texas

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<b>Monday, February 27<sup>th</sup></b>	1:00 P.M.	Welcome Address TIPRO Chairman Allen Gilmer
	1:30 P.M.	Texas Railroad Commissioner Wayne Christian
	2:15 P.M.	Energy Market Update Vikas Dwivedi, Oil & Gas Strategist for Macquarie Capital
	3:00 P.M.	Break
	3:15 P.M.	Executive Panel: "Strategies & Opportunities for Texas' Top Shale Plays" T.M. "Mitch" Little, EVP of Operations for Marathon Oil -- Eagle Ford Shale Thomas Meneley, CEO & Chairman of Plantation Petroleum -- Permian Basin Jud Walker, President & CEO of EnerVest Operating Company -- Barnett Shale/Austin Chalk/Anadarko Basin
	4:15 P.M.	Keynote Presentation Former United States Vice President Dick Cheney
	5:30 P.M.	TIPRO Legislative Reception
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<b>Tuesday, February 28<sup>th</sup></b>	8:00 A.M.	Membership Breakfast Kimberly Corley, Railroad Commission Executive Director
	9:00 A.M.	Oil & Gas Regulatory Update Suzanne Murray, Partner of Haynes and Boone, LLP
	10:00 A.M.	Texas Political Outlook Panel Harvey Kronberg, <i>Quorum Report</i> Scott Braddock, <i>Quorum Report</i>
	10:45 A.M.	Break
	11:00 A.M.	Information Session on TIPRO Capitol Call-Up Meetings
	Noon	BBQ Luncheon at Saengerrunde Hall Railroad Commission Chairman Christi Craddick
	2:00 P.M.	TIPRO Capitol Call-Up Meetings
	6:00 P.M.	Chairman's Reception & Dinner Remarks from Representative Tom Craddick Presentation of TIPRO's 'Tip of the Hat' Award to Former Railroad Commissioner David Porter
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<b>Wednesday, March 1<sup>st</sup></b>	9:00 A.M.	TIPRO Audit Committee Meeting
	10:00 A.M.	TIPRO Board Meeting



# TIPRO'S 71<sup>ST</sup> ANNUAL CONVENTION

## REGISTRATION FORM

### MEMBER REGISTRATION FEES:

INCLUDES ALL AGENDA EVENTS & MEALS

MEMBER - FULL REGISTRATION: \$495

SPOUSE - FULL REGISTRATION: \$325

### EVENT-SPECIFIC TICKETS:

TUESDAY-ONLY BADGE: \$395

### NON-MEMBER REGISTRATION FEES:

INCLUDES ALL AGENDA EVENTS & MEALS

NON-MEMBER - FULL REGISTRATION: \$695  
(REGISTRATION INCLUDES 1 YEAR REGULAR TIPRO MEMBERSHIP)

NON-MEMBER SPOUSE - FULL REGISTRATION: \$475

### EVENT-SPECIFIC, NON-MEMBER TICKETS:

TUESDAY-ONLY BADGE: \$595



Have special dietary needs or other considerations?  
Please contact TIPRO staff at (512) 477-4452.

## ATTENDEE INFORMATION

Name of Attendee: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Registered Spouse: \_\_\_\_\_

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## PAYMENT INFORMATION

Total: \_\_\_\_\_ Payment Method:  VISA  MASTERCARD  AMEX  CHECK NO: \_\_\_\_\_

Print Name: \_\_\_\_\_ Company: \_\_\_\_\_

Billing Address: \_\_\_\_\_

Credit Card No.: \_\_\_\_\_ Exp. Date: \_\_\_\_\_

Signature: \_\_\_\_\_ CID: \_\_\_\_\_

## CANCELLATION POLICY

In order to receive a refund, TIPRO must be notified of your cancellation no later than  
**Friday, February 17, 2017.**

Return registration form to TIPRO at: 919 Congress Avenue, Suite 1000, Austin, Texas 78701 or fax to (512) 476-8070.  
Registration forms must be accompanied by payment.

## REPUBLICAN CONGRESSMEN PURSUE MOTION TO ABOLISH THE EPA

While questions abound over what changes could be in store for the U.S. Environmental Protection Agency (EPA) as new leadership takes control, a handful of congressmen are proposing the federal regulatory agency be outright abolished. Efforts led by Florida Congressman Matt Gaetz seek to shutter the EPA by the end of next year.

On February 3, 2017, Congressman Gaetz filed House Resolution 861 that would officially terminate the EPA. The bill has garnered three co-sponsors in favor of the resolution, including Representative Barry Loudermilk (R-Georgia), Representative Thomas Massie (R-Kentucky), and Representative Steven M. Palazzo (R-Mississippi).

“As conservatives, we must understand that states and local communities are best positioned to responsibly regulate the environmental assets within their jurisdictions,” commented Congressman Gaetz. “This legislation abolishes the EPA effective December 31, 2018, to allow our state and local government partners to implement responsible policies in the interim.”

Congressman Loudermilk said of the bill intending to close the EPA: “You don’t have to look far to find examples of the EPA’s bureaucratic overreach being counter-productive to good environmental protection... the EPA has become an overgrown and unaccountable bureaucracy wrought with fraud and waste. I believe it is time to restructure government with smaller agencies who work with states to develop national environmental policy that is enforced by state governments.”

## PRESIDENT TRUMP EXPECTED TO SIGN WAVE OF EXECUTIVE ORDERS QUASHING EPA RULES

According to media reports published in mid-February, staff at the U.S. Environmental Protection Agency (EPA) have been notified that President Donald Trump will issue a handful of executive orders to reshape the agency after an administrator is formally confirmed by the U.S. Senate to lead the EPA.

President Trump’s pick to head the federal agency, Scott Pruitt, earned approval by the U.S. Senate Environment and Public Works Committee, though weeks into the Trump presidency, the Senate body at large was still stalling to confirm his position on the president’s cabinet.

The executive actions by President Trump will likely scale back Obama-era policies relating to climate change and air emission reductions by U.S. industries. Sources have indicated that the president may also issue an executive order on the Clean Power Plan, which regulates carbon emissions from power plants, or even take action to limit U.S. participation in the Paris Agreement, an international accord striving to reduce the global impact of climate change.

## NEW EPA DATA SHOWS OIL & GAS EMISSIONS DIPPED IN 2015

Industry emissions decreased in 2015, reveals a new report by the U.S. Environmental Protection Agency (EPA). On Wednesday, February 15, EPA regulators released the draft Greenhouse Gas Emissions Inventory report, which tracks U.S. greenhouse gas emissions by source, economic sector, and greenhouse gas going back to the year 1990. Each year, the draft report is released in February, and opened by the EPA for public comment. After receiving public feedback, the EPA will finalize the report by April 15, 2017.

The latest data collected by the EPA shows U.S. greenhouse gas emissions dropped 2.2 percent — from 6,736 million metric tons of carbon-dioxide equivalent in 2014 to 6,586 million metric tons the following year in 2015. From 2014 to 2015, carbon dioxide emissions also decreased 2.7 percent, and were down approximately 11.7 percent from 2005 to 2015, according to the report.

Meanwhile, the EPA draft report shows methane emissions decreased 0.8 percent from 2014 to 2015, and 4.4 percent from 2005 to 2015. The industry has argued this finding is particularly relevant as federal officials consider repealing 2016 regulations that were adopted by the U.S. Bureau of Land Management (BLM) restricting flaring and venting activities in an effort to reduce methane emissions in the United States.

The EPA’s new inventory of air emissions verifies industry efforts to reduce methane emissions are successfully reducing overall greenhouse gas levels, without a need for costly, duplicative government regulations such as the BLM’s methane regulation issued last year for the oil and gas sector.

## E&P ACTIVITY IN TEXAS ON THE RISE, AS RRC REPORTS SPIKE IN DRILLING PERMITS



As market conditions stabilize and the oil and gas sector begins to recover from the industry’s last downturn, preliminary data released by the Texas Railroad Commission shows drilling activity is rising in the Lone Star State. In January, the oil and gas agency issued a total of 956 original drilling permits compared to 510 in January 2016.

The rig count in Texas also was up this month. According to Baker Hughes Inc., the Texas rig count as of February 10, 2017, was 362, representing 49 percent of all active rigs in the United States. This time a year ago, the rig count in Texas stood at 262, representing about 46 percent of all active rigs in the United States.

The latest statistics published in late January by the Railroad Commission showed Texas producers pumped roughly 2,410,743 barrels of crude oil daily in November 2016, compared to the 2,365,640 barrels per day in November 2015. The Railroad Commission also reported that in November 2016 total gas production averaged 19,041,971 mcf a day, compared to the 19,884,105 mcf daily average of November 2015.



## MARCH WEBINAR TO HIGHLIGHT NEW OSHA RULES

Following the implementation of new rules in 2017 by the Occupational Safety and Health Administration (OSHA), employers interested in learning more about federal OSHA requirements are invited to participate in a 90-minute conference on Tuesday, March 7, from 1:00-2:30 ET. The conference will include discussion on:

### OSHA's New General Industry Requirements for Walking-Working Surfaces

- The old standard & new requirements: Key differences to know
- Critical implementation dates to ensure compliance and prevent inspections
- Key areas of focus in the new requirement: Ladders, platforms, ramps & more

### Preventing Slip & Falls: Keys to Protecting Employees & Your Company

- Understanding the new definitions to minimize your risks
- New training requirements for walking-working surfaces
- Performing inspections and corrective actions to ensure safe walking surfaces

### Updating Your Fall Prevention Systems to Comply with the New Rule

- Conducting and documenting hazard assessments to prevent injuries
- Safe use of Dockboards and Chocks you need to know for compliance
- How to determine the appropriate fall prevention system for your company

Learn more details by visiting: <http://bit.ly/2IMEMpi>.

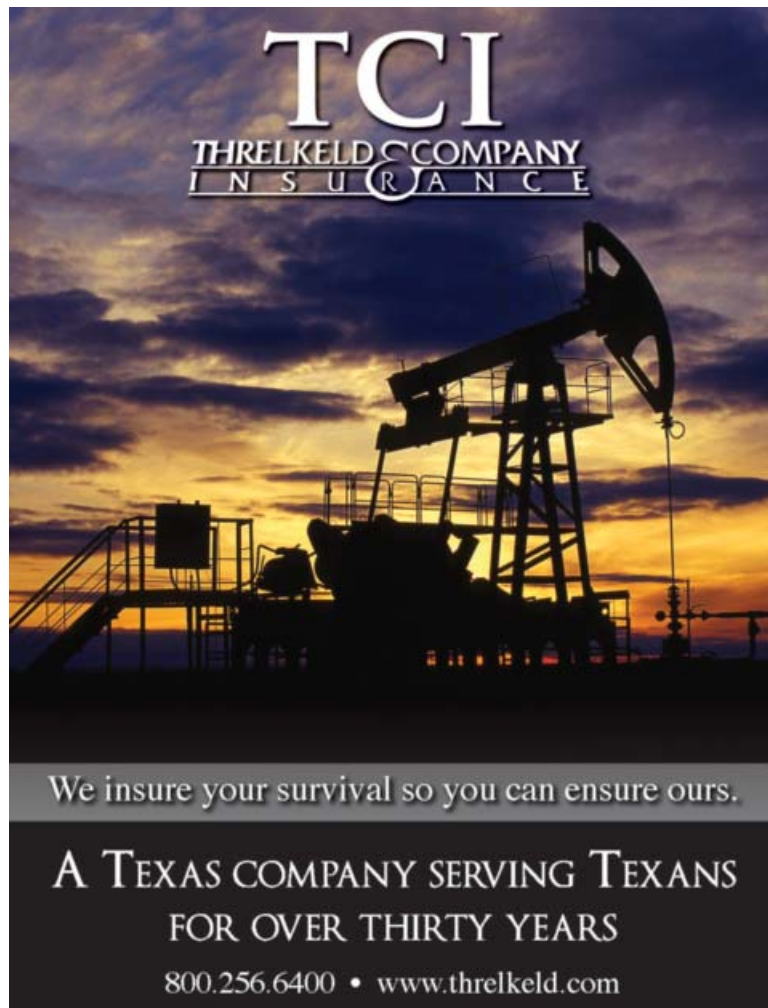
## AFTER LONG-WINDED BATTLE, CONSTRUCTION RESUMES ON DAKOTA ACCESS PIPELINE

The U.S. Army Corps of Engineers has granted permission to allow construction of the final segment of the Dakota Access Pipeline to resume across land owned by the Army Corps on both sides of Lake Oahe in North Dakota. Energy Transfer Partners, L.P. announced on February 8<sup>th</sup> the company received an easement from the Army Corps following a directive issued by President Donald Trump to provide the necessary authorization allowing for completion of the pipeline project. Days later, a motion by environmentalists and tribal groups hoping to temporarily block construction of the Dakota Access Pipeline was denied in a federal court on Monday, February 13, when the presiding judge resolved there was no immediate harm from construction of the infrastructure.

The Dakota Access pipeline consists of approximately 1,172 miles of new 30-inch diameter crude oil pipeline installed from North Dakota to Patoka, Illinois.

## COLORADO AG FILES SUIT TO STOP BOULDER'S LOCAL DRILLING MORATORIUM

Colorado Attorney General Cynthia H. Coffman took action this week to bring an end to a moratorium that has been imposed for more than five years on all new applications for oil or gas development in Boulder County. Calling the drilling moratorium illegal, Coffman announced on Tuesday, February 14, the state of Colorado has filed a law suit in Boulder County District Court to void Boulder's local ban on oil or gas development. Five years ago, in February of 2012, the Boulder County Board of County Commissioners imposed its ban on all new oil and gas drilling applications in Boulder County. Since then, the county officials have extended the moratorium eight separate times, reports Coffman. "Two of those extensions were passed after the Colorado Supreme Court ruled in May 2016 that local bans on oil or gas development are preempted if they conflict with the Colorado Oil and Gas Conservation Act, which regulates all aspects of oil and gas development and operations within the State. After the Supreme Court's ruling in the City of Longmont and City of Fort Collins cases, other local governments acted to lift similar bans – except for Boulder County. On January 27, 2016, the Attorney General's Office put Boulder County on notice that if it did not come into compliance with the law by February 10<sup>th</sup>, the state would take legal action against the County," said Coffman. Because the county commissioners appear to be stalling with efforts to allow drilling to resume, and the municipal government continues to operate in clear violation of Colorado law, Attorney General Coffman has taken legal action to compel compliance by Boulder County.



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