



**Texas
Independent
Producers and
Royalty Owners
Association**

TEXAS' 2020 PRIMARY ELECTION RESULTS IN UNEXPECTED DEFEAT FOR RAILROAD COMMISSIONER INCUMBENT

Super Tuesday brought unexpected victories for some candidates in Texas, and big upsets for others. Political newcomer James “Jim” Wright defeated office incumbent Ryan Sitton for the Republican nomination to become Texas’ next Railroad Commissioner. Securing only 44 percent of the vote compared

to Wright's 56 percent, late Tuesday Sitton conceded the race to Wright. “As I watched the primary results come in, I was shocked,” Sitton said in a message sent out to his supporters Wednesday. “I have to admit, I didn’t see it coming, and I am very disappointed,” he continued. “I have truly enjoyed serving you as your Texas Railroad Commissioner, and I was excited about the future. But this is how our election process works, and now someone else will be stepping in to represent the people of this state.” Before being elected in 2014 to the commission, Sitton and his wife Jennifer founded Pinnacle Advanced Reliability Technologies in 2006, an engineering and technology company focused on reliability and integrity programs for the oil, gas and petrochemical industries. Sitton now says he intends to return to the leadership team at Pinnacle once he completes his term at the end of the year at the Railroad Commission.

In a post shared through social media platform Twitter, Wright said his win showed “Texans believe in integrity, leadership and innovation.” He added, “I look forward to bringing our message to all Texans and working with Wayne Christian and Christi Craddick in January 2021 to keep our state the top leader in natural resource production in the country.” Wright has campaigned on a platform of open communication between state regulators and stakeholders. Wright, a rancher and owner of an oilfield waste services company, suggests he will restore trust to the commission if elected to the open seat by bringing in members of the public to look at changes needed in the regulation of the state’s energy sector. He also has called for stronger ethics rules to be adopted for the agency’s employees.

In the Democratic primary race for Railroad Commissioner, oil and gas attorney Chrysta Castañeda will face off against former state Representative Roberto R. “Beto” Alonzo in a runoff after Tuesday’s Primary Election. TIPRO members are advised that the Primary Runoff Election will take place Tuesday, May 26, in Texas. Early voting for the Primary Runoffs will last between May 18 - May 22.

Both Castaneda and Alonzo, as well as Wright, will participate in TIPRO’s upcoming panel, “Meet the Texas Railroad Commission Candidates,” hosted on March 24th in conjunction with the TIPRO Annual Convention in Dallas. This forum will offer members of TIPRO and professionals in the oil and gas industry an exclusive opportunity to get to know the candidates running for Railroad Commissioner in this year’s election and understand their approach to effective regulatory oversight of oil and gas development in the state of Texas and associated operations.

TEXAS PROVIDES 41 PERCENT OF NATION’S OIL

Though commodity prices are down and market conditions remain unstable, crude oil production in the United States continues to experience sustained growth. New insights from the U.S. Energy Information Administration (EIA) published Monday, March 2nd show that annual U.S. crude oil production reached another record level of 12.23 million barrels per day (b/d) in 2019, 1.24 million b/d, or 11 percent, more than 2018 levels.

As the country’s top producing state of oil, Texas continues to extend leading support of the nation’s production growth, said the EIA. Texas accounts for 41 percent of the nation’s oil production supply, according to the EIA, on average pumping 5.07 million b/d in 2019 and reaching a monthly record of 5.35 million b/d in December 2019. “Texas’ production increase of almost 660,000 b/d in 2019—driven by significant growth within the Permian region in western Texas—was 53 percent of the total U.S. increase for the year. Texas crude oil production has grown by 3.9 million b/d, or 333 percent, since 2010,” noted EIA analysts.

Increasing development in the Permian Basin also contributed to a 36 percent increase in crude oil produced in the state of New Mexico last year. “This increase was the second-largest state-level growth in 2019 and accounted for 20 percent of the total U.S. increase. In 2019, New Mexico set a new oil production record for the third consecutive year, growing by 749,000 b/d since 2010,” said the EIA.

Energy experts with the EIA forecast U.S. crude oil production will continue to grow in the U.S. in 2020 to average of 13.2 million b/d and to 13.6 million b/d in 2021. Most of the expected production growth will occur in the Permian region of Texas and New Mexico.



CHAIRMAN'S MESSAGE

TIPRO Members,

Being part of a fourth generation family business, one thing I've come to appreciate over the years is the true value of connections and the importance of forming key relationships with other professionals in our industry. In many cases, networking has led my business to foundational and lucrative deals and even today continues to help us grow. TIPRO is a natural extension in helping to form such vital and important relationships in the oil and gas industry.

Through TIPRO's many events, conferences and forums, the association has proven to be instrumental in bringing together Texas independents, royalty owners, and other professionals in the oil and gas industry. Much like myself, I know many of our members can personally attest to the benefits of networking at TIPRO meetings and the direct beneficial impact of being introduced to industry leaders, decision-makers, government officials, and other involved professionals while at a TIPRO gathering. TIPRO events also help connect industry partners around the state, not just those based in one particular city. Throughout the year, TIPRO travels from Midland to Houston, Dallas to San Antonio, visiting the different regions of Texas and connecting fellow members of the association.

Just this week, I joined the TIPRO team in Corpus Christi to host regional members and State Representatives Todd Hunter (R-Corpus Christi) and Jose Manuel "J.M." Lozano (R-Kingsville) for in-district TIPRO legislative meetings. While in Corpus, TIPRO also facilitated an exclusive presentation at the Cheniere Energy's Corpus Christi liquefaction facility where we discussed the development, growth and rising distribution of liquefied natural gas (LNG) from the Texas Gulf Coast. This was a unique and memorable event!

For those of you who have not yet signed up for TIPRO's 74th Annual Convention, taking place later this month in Dallas, I strongly encourage you to register for this important meeting. During this year's TIPRO convention, we will enjoy the chance to hear insights from a true industry pioneer, Chief Oil & Gas Founder and CEO Trevor Rees-Jones. Additionally, we will gain perspective of what it's like to drill for oil and gas in today's economic climate from senior industry executives with Marathon Oil, Parsley Energy and Comstock Resources. Much like the rest of you, I also am eager to better understand how shifts in the capital markets will continue to impact our business with the help of Dr. Anas Alhajji with Energy Outlook Advisors and financial expert David Hayes from NGP. Further, U.S. Environmental Protection Agency (EPA) Region 6 Administrator Ken McQueen will also be joining TIPRO for an update on priorities for federal regulators during the rest of 2020 and into next year. Given how this year's big election season is now underway, our convention will also welcome Texas Politics Project Director Jim Henson's post-primary political outlook for critical state and federal races. TIPRO's General Session will conclude with an exclusive conversation with Railroad Commission candidates Jim Wright, the Republican Party's nominee, and Democratic contenders Chrysta Castañeda and former state Representative Roberto Alonzo, who will be competing in a runoff for the Democratic nomination.

With networking receptions and opportunities for relationship-building also provided throughout the TIPRO Convention, I hope you will make your plans today to join TIPRO March 23-24 for our annual meeting. More details are available on the TIPRO website at www.tipro.org or please feel welcome to reach out directly to TIPRO's staff by calling (512) 477-4452.

Regards,

Eugene Garcia



Eugene Garcia

TCEQ CONDUCTS AERIAL SURVEYS OF AIR QUALITY NEAR CORPUS

The Texas Commission on Environmental Quality (TCEQ) has been completing aerial surveys near petrochemical and industrial facilities in the Corpus Christi area the first week of March. Using aircraft equipped with specialized infrared cameras, the agency is gathering imagery of volatile organic compounds (VOCs) and other hydrocarbons otherwise invisible to the eye. The Corpus Christi surveys are scheduled to conclude March 9, according to the TCEQ. Similar surveys are also planned by TCEQ for the Permian Basin area in West Texas as well as the Beaumont/Port Arthur and Houston/Galveston/Brazoria areas.

The TCEQ's primary regulatory role with oil and gas is regulating air emissions and ensuring air quality in Texas. To achieve such goals, the agency periodically conducts aerial surveys or flyovers to evaluate large geographical areas and identify potentially problematic areas for emissions.

TIPRO Calendar of Events

MARCH 11, 2020	MARCH 23-24, 2020	APRIL 8, 2020	MAY 13, 2020
HOUSTON — IPAA/TIPRO Leaders in Industry Luncheon, 11:30 a.m. Houston Petroleum Club. For info, call: (202) 857-4733.	DALLAS — TIPRO's 74 th Annual Convention, Hilton Anatole Hotel. For info, call: (512) 477-4452.	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.

TIPRO ANNUAL MEMBERSHIP MEETING NOTICE

In accordance with Article IV, Section 1, of the TIPRO Bylaws, Chairman Eugene Garcia hereby calls a membership meeting for all TIPRO members in conjunction with the 74th Annual Convention. The 2020 annual membership meeting will be held on Tuesday, March 24th at 1:15 p.m. in the Stemmons Ballroom of the Hilton Anatole Hotel in Dallas, Texas.

The Board has approved the following candidates nominated by the TIPRO Nominations Committee and hereby presents the slate of recommended candidates for TIPRO to vote on during its annual meeting. Director and officer nominees, if approved by TIPRO membership, would begin their respective terms on July 1, 2020.

In accordance with Article V, Section 2, of the TIPRO Bylaws, the following candidates are presented for consideration by the membership:

- Mr. Mike Pedrotti, Texegy - Region 1 Class A Director, First Term
- Mr. Grant Johnson, Lone Star Production Company - Region 2 Class A Director, First Term
- Mr. Jud Walker, EnerVest - At-Large Class A Director, First Term

Under Article V, Section 3, of the TIPRO Bylaws, the following board candidates are presented for consideration by the membership:

- Mr. Brent Hopkins, Suemaur Exploration & Production - Chairman (Class B Director)
- Mr. John Swords, Tracker Services, Treasurer (Class B Director)
- Mrs. Patricia Boswell McCall, Boswell Interests, Secretary (Class B Director)

And under Article V, Section 5, of the TIPRO Bylaws, the following candidates are presented for consideration by the membership:

- Walter "Tad" Mayfield, Goldston Oil - Fifth term expiring in 2022
- Stephen Castle, Cowboys Resources - Fourth term expiring in 2022
- David Martineau, Martineau Petroleum - Third term expiring in 2022
- Raymond Welder, Welder Exploration - Second term expiring in 2022
- Allen Gilmer, Enverus - First term expiring in 2022

TIPRO thanks all the candidates for graciously accepting their nominations and agreeing to serve on TIPRO's Board of Directors.

RAILROAD COMMISSION UPDATES GEOLOGIC FORMATION INFORMATION

NOTICE

Last month, the Railroad Commission of Texas (RRC) released updated geologic formation information for most Texas counties. This data is often used by oil and gas operators to maintain compliance with 16 Texas Administrative Code 3.13 (Statewide Rule 13), relating to casing, cementing, drilling, well control and completion requirements. Amongst changes incorporated to the geologic formation information, the agency has removed the formation depth (or "tops") estimates from all county formation lists. The commission notes that most changes apply to Districts 8 and 8A, where formations have been added.

TIPRO members can see the updated geologic formation information here: <https://bit.ly/2VtLjtu>.

Effective February 10, 2020, the commission says that the updated geologic formation information must be used for all drilling permits. Approved drilling permits not drilled by February 10, 2020 must reference the appropriate, updated county list(s) prior to completion, according to the commission. Drilled and completed wells where the *Form W-2, Oil Well Potential Test, Completion or Recompletion Report, and Log*, or *Form G-1, Gas Well Back Pressure Test, Completion or Recompletion Report*, has not been filed must reference the appropriate county list(s) in effect when the well was completed.

If you have questions regarding this update, operators are encouraged to contact the appropriate department of the RRC's Oil and Gas Division for assistance.

- Drilling Permits - drillingpermits-info@rrc.texas.gov or (512) 463-5751
- Field Operations - OG_FOPS@rrc.texas.gov or (512) 463-6838
- Well Compliance - prorationunit@rrc.texas.gov or (512) 463-6975

RAILROAD COMMISSION OPENS REGISTRATION FOR MIDLAND REGULATORY FORUMS HAPPENING IN APRIL

Registration is now open for tickets to the Railroad Commission's regulatory forum being hosted in Midland on Wednesday, April 1 and again on Thursday, April 2. The seminar will be held at the Permian Basin Petroleum Museum, located at 1500 W. Interstate 20 West in Midland.

These forums coordinated by the commission serve to educate and train energy industry professionals on a variety of regulatory topics, including drilling permitting; completions; Form P-16, *Acreage Designation*; injection well permitting; and pipeline permitting. Other event information is available through the commission website at: <http://www.rrc.texas.gov/oil-gas/oil-gas-workshops-and-seminars/>. Earlier this year, the Railroad Commission hosted similar regulatory forums in Houston, Corpus Christi and Fort Worth.

The registration fee is \$100 per person. TIPRO members may register for the forum by visiting: <http://ow.ly/nifG50yuNUR>. Please note that when registering online for these forums, under "Attendees setup for RRC Regulatory Forum Midland, TX – April 1st and 2nd, 2020" you must select which day you want to attend by selecting "Day One-Oil and Gas Midland Seminar in Midland, TX" (April 1) or "Day Two-Oil and Gas Midland Seminar in Midland, TX" (April 2). Be sure to also select "None Selected" on the day in which you do not wish to attend.

AT MIDLAND ECONOMIC SUMMIT, TEXAS' GOVERNOR HIGHLIGHTS STATE'S BUSINESS CLIMATE



During an economic summit at the start of March, Texas Governor Greg Abbott extended praise for economic stimulus supported by energy development in the Permian Basin. On Monday, March 2, the governor participated in a fireside chat at the Texas Economic Development Corporation's (TxEDC) regional business summit in Midland, which also included panelists Vicki Hollub, president and CEO of Occidental, Bryan Sheffield, executive chairman of Parsley Energy, and Tracee Bentley, president and CEO of the Permian Strategic Partnership, a coalition of 19 Permian Basin energy companies joined together to address current and future challenges in the Permian. Together, the energy leaders and governor discussed Texas' workforce, business climate and opportunities for economic growth including expanding development of oil and gas in the Lone Star State.

"The Midland-Odessa region plays an important role in the ever-expanding Texas economy, and the oil and gas industry is a driving force behind our record job growth," said Governor Abbott. "We must continue to invest in our workforce, diversify our business climate, and expand economic freedom in order to maximize opportunity and meet industry needs. If we do this, there is no limit to how big the Texas economy can grow."

During Monday's forum, the governor also joined panelists in talking about ways to continue to help the oil and gas industry succeed, including state approval of new funding for road infrastructure improvements in the Permian Basin. He said state officials are seeing the impact the oil and gas industry's growth has had on the area's infrastructure, especially roads, and the adverse impact that has had on quality of life. Additional road funding will improve regional infrastructure and enhance quality of life, he said, as well as improve safety.

EPA LAUNCHES NEW PUBLICLY-ACCESSIBLE REGULATORY GUIDANCE PORTAL

The U.S. Environmental Protection Agency (EPA) is now offering the regulated community a new portal with access to the agency's guidance documents. The EPA uses guidance documents to clarify existing obligations for interested parties, but is not a vehicle for implementing new, binding requirements on the public. Unless expressly authorized through statute, guidance documents lack the force and effect of law. Still, guidance documents, which have been increasingly utilized by federal regulators, have been criticized for their lack of transparency and opportunities for public engagement. In an announcement last Friday, February 28, the EPA said it's providing a new database that will be indexed so the public can search for documents based on a range of criteria that include date of issuance, general subject matter, and summary of contents. The EPA's guidance portal also provides a mechanism for the public to request modification or withdrawal of any documents. The new guidance portal executes a mandate issued last October from President Donald Trump which had directed federal entities to promote transparency by ensuring that all active guidance be made available to the public.

"EPA has followed through on President Trump's direction to streamline and improve the transparency of regulatory guidance issued by the agency," commented EPA Administrator Andrew Wheeler. "This new online database is a major milestone in government transparency. Never before has the American public had access to all of the agency's guidance documents. This initiative spearheaded by President Trump will finally provide sunlight to agency decisions."

For additional information and to access the EPA portal, visit: <https://www.epa.gov/guidance>.

TRUMP ADMINISTRATION PUSHES FOR MORE WATER REUSE AND RECYCLING

On Thursday, February 27, federal leaders unveiled a new action plan aimed at encouraging greater reuse and recycling of the nation's water resources. The effort, being led by the U.S. Environmental Protection Agency (EPA), is also backed by departments and agencies under the Trump Administration, including the U.S. Department of Interior, U.S. Department of Agriculture, and White House Council on Environmental Quality, along with other federal, state, tribal, local and water sector partners.

The National Water Reuse Action Plan -- or "WRAP" -- will help local, state and federal government entities adopt water re-use policies, management approaches, and new technologies. The program represents the first initiative of its magnitude coordinated across the water sector to improve opportunities for reuse of water that will ensure the viability of the nation's water economy for generations to come, said the EPA. Under the initiative, 37 specific actions are identified. An online platform will also be maintained by the EPA to communicate progress and milestones achieved through the WRAP program.

"A reliable water reuse program provides great opportunity for alternatives to existing water supplies across the nation to enhance water security, sustainability, and resilience for communities, rural and urban alike, across the country," said EPA Administrator Andrew Wheeler. "By launching this phase of the National Water Reuse Action Plan, federal agencies are driving progress on this national priority and delivering on President Trump's commitment to ensuring a reliable supply of water for our nation."

The initiative also is said to include completion of a study by April that will support consideration of "potential regulatory and non-regulatory approaches" to reusing oilfield wastewater. In more recent years, producers have increasingly looked at solutions to treat and reuse water from oilfield operations. The industry continues to explore options for produced water management, though has advised government regulators of existing regulatory and economic constraints which have narrowed abilities for water reuse.

For more information, including opportunities to engage with EPA on this effort and to find implementation progress updates, visit: <https://www.epa.gov/waterreuse/water-reuse-action-plan>.

Last chance to register for

TIPRO'S 74TH ANNUAL CONVENTION!

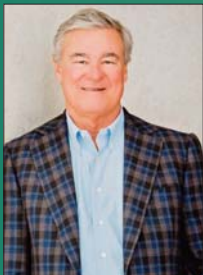


March 23-24, 2020

Hilton Anatole Hotel
Dallas, Texas

Industry Insights ★ Membership Engagement ★ Networking

Featured Speakers



Trevor Rees-Jones,
Chief Oil & Gas



EPA Region 6
Administrator
Ken McQueen



Dr. Anas Alhajji,
Energy Outlook Advisors



David Hayes,
NGP



Todd Abbott,
Marathon Oil Corp.



Mike Hinson,
Parsley Energy



David Terry,
Comstock Resources



Dr. Jim Henson,
Texas Politics Project



Jim Wright,
RRC Republican
Candidate



Chrysta Castañeda,
RRC Democratic
Candidate



Roberto Alonzo,
RRC Democratic
Candidate

Exclusive

As part of the TIPRO Convention, hear from all three candidates running for Railroad Commissioner in this year's Election during TIPRO's 'Meet the Candidates' Panel!

Make plans to join TIPRO at the Hilton Anatole Hotel in Dallas, Texas, on March 23rd - March 24th for the association's 2020 Annual Convention. During the event, the association is proud to host guest presenters that will include industry executives, oil & gas experts and energy leaders. Together, conference speakers will update TIPRO attendees on the latest opportunities and challenges facing the Texas oil and gas sector today. As part of the TIPRO convention, there also will be several opportunities to meet and network with members of the association, and form new business connections.

* COVID-19 UPDATE *

TIPRO's management team and board leadership continue to closely monitor the evolving coronavirus (COVID-19) situation. The association at this time still intends to proceed with hosting the organization's 74th Annual Convention later this month in Dallas.

We value the health and safety of all members, and will grant a full refund for any attendees no longer able or willing to travel for the TIPRO meeting.

We encourage all members to follow basic protective measures, such as thorough hand-washing, to keep yourself and the community virus-free. Find tips on how to protect yourself from COVID-19 on the World Health Organization website at <https://bit.ly/2TJm83F>.

To view the complete convention agenda and register for the TIPRO meeting, visit:

www.tipro.org

NEW INDUSTRY STUDY EXAMINES THE TRUE COST OF A BAN ON HYDRAULIC FRACTURING IN THE U.S.

A new economic analysis released at the end of February by the American Petroleum Institute (API) is offering Americans a better sense of what a nationwide ban to hydraulic fracturing would really do to domestic energy development, job creation in the United States, household energy expenditures and the economy. The study comes after several Democratic candidates running in this year's presidential election have suggested they would impose a federal ban on fracking if elected commander-in-chief in November's General Election. According to API, such a ban would devastate America's energy supply, given more than 95 percent of U.S. natural gas and oil wells today are developed using hydraulic fracturing. Not only would production of oil and natural gas in the United States suffer, if a fracking ban were enacted, there also would be substantial job losses and other damaging economic consequences. The API study projects that states like Texas would experience the highest job losses from a fracking ban, with more than 1.1 million jobs alone eliminated in the Lone Star State, the nation's top producing state of oil and natural gas. Other states like California, Florida, Pennsylvania and Ohio would also experience heavy job losses from a fracking ban, for a total of 3.6 million job losses by 2022 in those states, including Texas.



“You can’t eliminate the very technology that has enabled the American energy revolution without damaging economic consequences,” said Lessly Goudarzi, founder and CEO of data firm OnLocation, Inc., which provided the economic modeling for API’s study. “As our analysis shows, assuming a full ban on fracking would threaten a U.S. recession and force American consumers to rely more on foreign energy rather than energy produced here in the U.S.”

Other key takeaways from API’s new fracking-ban report include:

- ▶ A ban on federal leasing and fracking could result in the loss of 7.5 million American jobs in 2022 alone;
- ▶ American families would pay an extra \$618 in household energy costs per year;
- ▶ Household incomes would decline more than \$5,400 annually;
- ▶ Cumulative GDP loss would surpass \$7.1 trillion by 2030; and
- ▶ The U.S. would flip from a net exporter of oil and petroleum products to importing more than 40 percent of supplies by 2030.

Download a full copy of the report at: <https://bit.ly/2VEb3Dm>.

CORONAVIRUS FEARS PROMPT CANCELLATION OF IHS CERAWEEK IN HOUSTON

Amid growing concerns over the spread of the coronavirus (formally labeled COVID-19), event organizers of IHS Markit’s CERAWeek oil and gas conference decided over the weekend to cancel this year’s event. Over 5,500 participants from 85 countries were anticipated to attend CERAWeek in Houston in mid-March. However, with “deep disappointment,” conference leaders said on Sunday, March 1st that the raised threat of the coronavirus and rapid spread of the illness around the world has forced the cancellation of the annual conference.

“Over the last few days concern has mounted rapidly about the COVID-19 coronavirus. The World Health Organization raised the threat level on Friday, the U.S. government cancelled a summit meeting scheduled in Las Vegas, an increasing number of companies are instituting travel bans and restrictions, border health checks are becoming more restrictive and there is growing concern about large conferences with people coming from different parts of the world. Delegates from over 80 countries were expected to participate in CERAWeek 2020,” said a spokesman for the CERAWeek conference. “Our number one concern is the health and safety of delegates and speakers, our partners, our colleagues and vendors. We have spent the last several weeks focused on this question, established a medical partnership with Houston Methodist Hospital, have been in continuing dialogue with experts on infectious disease, and established an extensive protocol. But the spread of COVID-19 is moving quickly around the world. In light of developing circumstances, IHS Markit is cancelling CERAWeek 2020 scheduled to take place in Houston, March 9-13.”

U.S. Secretary of Energy Dan Brouillette, FERC Chairman Neil Chatterjee, EPA Administrator Andrew Wheeler, Department of Energy Assistant Secretary of Fossil Energy Steven Winberg, U.S. Senator for Alaska and Chairman of the Senate Committee on Energy & Natural Resources Lisa Murkowski, United States Senator for West Virginia and Ranking Member of the Senate Committee on Energy & Natural Resources Joe Manchin and Houston Mayor Sylvester Turner were among the 840+ scheduled presenters, senior industry executives, government officials, financial and academic leaders expected to speak at the 2020 CERAWeek conference.

Conference leaders say they plan to continue with next year’s CERAWeek in Houston, scheduled for March 1-5, 2021.

The decision to cancel CERAWeek marks one of the first major oil and gas industry events to be called off as a result of coronavirus fears, though is not the only global conference to be impacted. At the end of February, Facebook announced it was cancelling its annual F8 software developer conference that normally draws 5,000 attendees due to heightened concerns surrounding the COVID-19 coronavirus outbreak. Other major tech companies including Microsoft, Apple, Google and Workday are also looking to push sales meetings and larger conferences that draw international audiences given the rapid spread and evolving public health risks related to the coronavirus.

OILFIELD SERVICE GIANT HALLIBURTON ISSUES TRAVEL RESTRICTIONS FOLLOWING CORONAVIRUS OUTBREAK

Halliburton, the world's second largest oilfield service provider, this week issued new travel restrictions for employees as concerns from the spread of the coronavirus (COVID-19) continue to mount. The company for now is restricting all global, non-critical business travel. "We are monitoring the evolving coronavirus (COVID-19) situation closely and following guidance from the Centers for Disease Control and Prevention (CDC), the World Health Organization, as well as internal health experts to help protect our employees," the company said in a statement released Tuesday.

Other major oil and gas companies are also said to be taking precautions as a result of the coronavirus. ExxonMobil has implemented appropriate restrictions on China business travel. Chevron said that it, too, was monitoring coronavirus developments and utilizing guidance from international and local health authorities. It has asked staff to postpone non-critical travel to China.

SEVERAL STATES FLOATING LEGISLATION TO BLOCK CITIES FROM BANNING NATURAL GAS AS ENERGY SOURCE

In a move to prevent adoption of local ordinances that ban natural gas, legislators in at least five states are considering adding new laws that would block cities and counties from instating such policies preventing the use of natural gas as an energy source in new buildings or residential homes. Recently, bills have been introduced in Missouri, Minnesota, Oklahoma, Tennessee, and Mississippi to prevent direct bans against the use of natural gas as an energy solution for power.

Last month, Arizona's state legislature successfully passed legislation of a similar nature, which averts the spread of natural gas bans by local governments across the state. Though currently the state of Arizona does not have any gas bans in the works, state leaders say the legislative measure was necessary to ensure municipalities do not pass extreme restrictions that will raise energy prices for residents in Arizona. Supporters of the bill also say that homeowners and businesses should be entitled to choose what kind of energy they want to use in their establishments for cooking or heating.

The latest legislative push comes after dozens of city councils in California and the Northeast have passed ordinances banning natural gas hook ups in newly constructed buildings to supposedly combat climate change. Cities indicate they have been motivated to impose such bans in order to meet ambitious climate goals for air emission reductions and to make electric grids "cleaner."

KATHRYN MACGREGOR CONFIRMED AS INTERIOR'S NEXT DEPUTY SECRETARY

The U.S. Senate voted 58-38 on Tuesday, February 25, to confirm Katharine MacGregor as deputy secretary of the U.S. Department of Interior. After previously serving as deputy chief of staff exercising the authority of the deputy secretary since May of 2019, she now will officially slide into the role as second in command to U.S. Interior Secretary David Bernhardt.

"Kate will be a tremendous leader and serve the American people admirably," Secretary Bernhardt said of MacGregor's confirmation. "I am pleased that the Senate finally confirmed her."

Other federal leaders also spoke out last week in favor of MacGregor's confirmation, including Senate Energy and Natural Resources Committee Chairwoman Lisa Murkowski (R-Alaska). "She's well-qualified. She's got the right experience to succeed in this role. I think she will be a fine asset for Secretary Bernhardt and the rest of the Interior team," said Senator Murkowski.

Since joining the Trump Administration in January 2017, MacGregor has filled several important positions at the Interior Department, including serving as the principal deputy assistant secretary of land and minerals management and also was deputy chief of staff. MacGregor has worked on issues that include improving responsible domestic energy and mineral development, enhancing rural broadband and executing other priorities for the Trump Administration. Before joining the Interior, she also worked on Capitol Hill for ten years, serving two chairmen of the House Natural Resources Committee, Rob Bishop (R-UT) and Doc Hastings (R-WA), and Representatives Eric Cantor (R-VA) and Thelma Drake (R-VA).

TEXAS' TOP OIL REGULATOR WARNS OF CRIPPLING BLOW FROM POLITICAL THREATS TO BAN FRACKING

In a new editorial published last week in the *Houston Chronicle*, Texas chief oil and natural gas regulator called out Democratic presidential candidate Senator Bernie Sanders for his proposed ban on hydraulic fracturing or fracking. Wayne Christian, chairman of the Railroad Commission of Texas (RRC), criticized Sanders for his policy proposals that would "cripple our job-creating energy sector" and hurt America's economy, not to mention impact our nation's energy independence, according to Christian. At the end of January, Senator Sanders introduced new federal legislation seeking to phase out fracking nationwide in the United States. Sanders' "Ban Fracking Act" would institute an immediate federal ban on all new federal permits for fracking-related infrastructure and adopt a ban on fracking within 2,500 feet of homes and schools by 2021. Then, starting in 2025, it would ban fracking nationwide.

"While the term 'fracking' sounds scary, it's nothing more than a drilling technique that uses water, sand and chemicals to create cracks in shale rock formations deep underground so that crude oil and natural gas can flow to the surface," explained Chairman Christian. "Sanders has a lot to say about fracking, but he doesn't tell you the whole truth. So let me set the record straight, using Texas as an example. Texas has fracked its way to a booming economy with hundreds of thousands of high-paying jobs. In the last 10 years, the Texas economy has grown roughly 50 percent thanks in large part to the oil and natural gas industry that represents roughly 30 percent of our economy... With the help of Texas frackers, the United States has become the largest producer of oil and gas in the world, giving us not only energy independence, but national security." Read more of Chairman Christian's editorial here: <https://bit.ly/2liKThU>.

Use code **TIPRO** for **\$150 OFF** your full-conference pass

CONFERENCE & EXHIBITION

DUG
PERMIAN BASIN

April 6-8, 2020

Fort Worth Convention Center | Fort Worth, TX



**Permian Basin Water &
Sand Forum**
April 6
10:30 AM - 4:45 PM

*Separate registration required

The Permian at 100
Foundation for the Future

Register today at DUGPermianBasin.com

A&D Forum
April 6
1 PM - 4:30 PM

*Separate registration required

Presented by
HARTENERGY

Premier Sponsor
**Freemyer
Industrial
Pressure**

NSAI NETHERLAND, SEWELL
& ASSOCIATES, INC.
WORLDWIDE PETROLEUM CONSULTANTS

Platinum Sponsors
UNIVERSAL
PRESSURE PUMPING, INC.

UNIVERSAL
WIRELINE

THE TIPRO TARGET



**Texas Independent
Producers &
Royalty Owners
Association**

With nearly 3,000 members, TIPRO is the nation's largest statewide association representing both independent producers and royalty owners. Our members include small family-owned companies, the largest publicly traded independents and large and small mineral estates and trusts.

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