



PERMIAN BASIN
PETROLEUM ASSOCIATION

The Standard

Vol. 4, Issue No. 9



Members,

The Texas Legislature has a little more than one month to finish conducting its business. Where do things stand? In this version of The Standard, you'll find out what we think and you'll receive updates on other PBPA activities, important regulatory actions and community events:

- **HSE Benchmarking Study: Deadline April 30**
- **Texas Legislative Update**
- **PBPA Clay Shoot & Pit King Challenge, Register Today!**
- **PBPA Committee Meetings**
- **New DOI Secretarial Orders**
- **BLM Extends Leasing "Pause"**
- **RRC Notice on filing Form H-5**
- **TCEQ Environmental Internships**
- **Congresswoman Yvette Herrell Event**
- **Congresswoman Kathy McMorris Rodgers Event**
- **FREE: Annual Live Oak CLE**
- **MC PPDC Continuing Education**
- **Live from the Stream**

Regards,

Ben Shepperd



PBPA in Action

PBPA HSE Annual Benchmarking Effort
Deadline for Submissions is April 30, 2021

The PBPA Health, Safety, and Environmental (HSE) Committee is conducting its fourth HSE benchmarking survey to allow PBPA member companies to compare their safety incident, spill performance and now environmental, social and corporate governance (ESG) statistics to blinded data obtained from peer-companies. This year we are gathering data for the year 2020 as to Safety and Spill Loss of Containment. We are also collecting data regarding ESG efforts in the Production and Midstream segments of our industry as well. For ESG, we will be gathering data for the past two years. With the addition of important ESG data, we look forward to growing participation in this survey and working towards the improvement of HSE performance in the Permian Basin.

If your company does not participate in the HSE Committee but wishes to participate in the survey, please contact Stephen (stephen@pbpa.info) for a copy of the survey. Please note that if you do not participate, you will not have access to the information submitted by other companies. Benchmarking data will only be reported / distributed to PBPA member companies that participate in the survey. All data obtained during this study will be held confidentially and blinded by PBPA staff so that company names cannot be identified by any other participant.

Texas Legislative Session Update

We have crossed the 100 day threshold and 40 days remain. Late on Thursday, April 22, the Texas House passed their version of the state budget, accounting for \$246 billion in state and federal funds. The debate lasted about 12 hours and covered every facet of state government spending that affect the lives of nearly 29 million Texans across the Lone Star State.

To say that the evening was largely uneventful compared to other sessions would still be understatement, though several important policy discussions on public health, safety, and education took place. Perhaps the largest funding for taxpayers ensured the relief afforded in last session's budget were extended to this next budget which will begin on September 1, 2021 and run until August 31, 2023.

The budget is a huge priority for PBPA members and we worked aggressively to ensure that amendments that would remove funding from vital permitting and regulatory programs that our industry needs in order to function were not adopted. We also worked to ensure that efforts at establishing new policy that would create greater burdens for operators did not pass.

We were able to successfully defend the programs our operators need to succeed and now the work will continue as the House and the Senate will both create a Conference Committee, consisting of five members from each body, which will iron out the differences between the chambers. This will likely occur relatively soon and the work there to preserve the policies we care about continues as well.

In addition to that big item, the Texas Legislature continues to plug along with hearings and calendars in both the House and the Senate, and we continue to work to craft good public policy with members across the state and the political spectrum. Several important PBPA priorities are moving through the process efficiently, and with the exception of one or two bills, our legislative efforts to protect the industry have been largely successful.

As of April 23rd, there are 38 days remaining in the 87th Texas Legislative Session, however the bulk of the work remains.

We are thankful to the PBPA members that continue to meet with us weekly for the Texas Legislative Committee Meetings and of course to those of you that reach out independently to work on these issues and ensure that the Permian Basin continues to be the greatest operating basin in the world.



The PBPA Clay Shoot and Pit King Challenge is back! After not being able to hold the event in 2020, we are thrilled to once again bring our members a one of a kind day out at the range.

Join us at Jake's Guns and Clays on June 11th for the 2021 PBPA Sporting Clay Shoot & Oil Patch Pit King Challenge. Come find out how you and the BBQ stacks up against the competition.

Sponsorships and Registration are now available!

[Sponsorships & Registration](#)

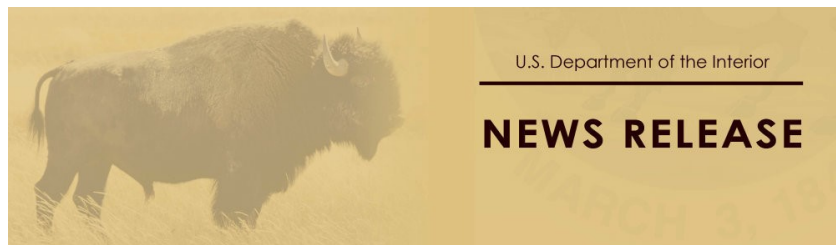
Upcoming PBPA Committee Meetings

Texas Legislative Committee - April 27, 2021
Health, Safety and Environmental - April 28, 2021

For more information on these committees or to join a committee, please reach out to Stephen at (432) 685-6345 or stephen@pbpa.info.



Regulatory Updates



Trump-era Orders revoked, Climate Task Force created

On April 16, 2021, Interior Secretary Deb Haaland revoked many of her Republican predecessors' executive policies governing fossil fuel development and with a new secretarial order of her own ([S.O. 3399](#)), established a Climate Task Force to coordinate work across the department and to ensure that "climate change is appropriately analyzed, and that Tribes and environmental justice communities are appropriately engaged."

Secretary Haaland's [S.O. 3398](#) is the order which revokes a series of secretarial orders issued in recent years that she said were "inconsistent with the Department's commitment to protect public health; conserve land, water, and wildlife; and elevate science."

The Interior Department is already conducting a climate review of oil and gas drilling on public lands and waters. While this is ongoing, as you know the Biden administration has paused new leases. According to the

department, S.O. 3398 and S.O. 3399 do not affect this review.

Many of the secretarial orders revoked by Haaland were issued in the first months of the Trump administration. They include, among others:

- [S.O. 3349](#), issued by former Interior Secretary Ryan Zinke on March 29, 2017, which ordered a top-to-bottom review of Interior Department policies on energy development, "in order to better balance conservation strategies and policies with the equally legitimate need of creating jobs for hard-working American families." It also implemented former President Trump's "energy independence" executive order.
- [S.O. 3354](#), issued July 6, 2017, instructing the Bureau of Land Management to streamline the permitting process for oil and gas development, and to conduct quarterly lease sales.
- [S.O. 3385](#), signed by then-Interior Secretary David Bernhardt on Sept. 14, 2020, to streamline regulatory enforcement of rules on public lands. This would be done by focusing "enforcement resources on intentional violations, prevent unfair surprise for persons reasonably relying on Department of the Interior guidance."

Pause on Leasing Extended

On April 21, 2021, the Bureau of Land Management (BLM) issued a [statement](#) that it will continue its pause on new oil and gas lease sales, as it feels it is authorized to do underneath President Biden's Executive Order 14008 on climate issues, through the end of June, citing the need for further review of the laws surrounding the process. Included in the statement is the following:

"Based on our ongoing review, the Bureau of Land Management is exercising its discretion to not hold lease sales in the 2nd quarter of Calendar Year 2021. This decision does not impact existing operations or permits for valid, existing leases, which continue to be reviewed and approved. The BLM remains committed to managing our programs in a way that restores balance on public lands, creates jobs, and provides a path to align the management of America's public lands with our nation's climate, conservation, and clean energy priorities."

In an attempted justification of the continued pause, the statement also claims that, "[t]he Trump administration conducted a fire sale of public lands and waters, offering more than 25 million acres onshore during the past four years, 5.6 million of which were purchased. Offshore, more than 78 million acres were offered for lease to oil, gas, and mineral development offshore, and only 5 million acres were purchased."

An ongoing concern, as is also referenced in the statement, is that even if leasing resumes, the process could be drastically altered. "The comprehensive review required by E.O. 14008 has the potential to identify and recommend solutions for serious deficiencies in the leasing regime."



REMINDER: RRC Only Accepting Disposal/Injection Well Pressure Test Reports Filed Online May 1

Effective May 1, 2021, the Railroad Commission of Texas (RRC) will no longer accept hard copy filings of the Form H-5, *Disposal/Injection Well Pressure Test Report*. Oil and gas operators can file the Form H-5 online using the RRC Online System at <https://webapps.rrc.texas.gov/security/login.do>.

The Form H-5 must be filed 30 days after the date of any disposal/injection pressure test. When filing the Form H-5 online, an operator can also submit any attachments, including a scanned image of the pressure test

chart. In addition, the operator is not required to file duplicates of the report and attachments with the appropriate RRC oil and gas district office.

To view the notice to oil and operators issued in February 2020 regarding the online Form H-5, visit the RRC website at <https://rrc.texas.gov/oil-and-gas/publications-and-notices/notices-to-operators/>.

If you have any questions, contact the Injection-Storage Permits (UIC) section of the RRC's Oil and Gas Division at H5info@rrc.texas.gov or 512-463-6792.



TCEQ Seeks Sponsors to Place Talented, Diverse Students into Environmental Internships

The Texas Commission on Environmental Quality (TCEQ) is looking for governmental agencies and private companies to host interns this summer for a Mickey Leland Environmental Internship.

The paid summer internship places undergraduate and graduate college students pursuing environmental, science, engineering, public administration, public health, computer technology, accounting, business, law, and communications degrees at TCEQ or other participating state agencies, county and city governments, and participating private sector companies from across the state.

The program has received more than 500 applicants this year. TCEQ plans to place up to 90 of those interns at the agency and hopes to place the rest with internship sponsors.

Organizations with a presence in Texas may sponsor a summer intern through the MLEIP. Student applications are vetted by MLEIP and sponsors get to choose their own interns from the applicants. Sponsors pay their chosen interns a salary, but there are no other costs related to sponsoring an intern. Sponsors set internship dates, rate of pay, duties performed, and work hours for the interns.

The internship allows women, people of color, and economically disadvantaged students attending college to learn about career opportunities in the environmental field. Students get a chance to learn about their sponsor agency or company as well as try out a career choice and obtain on-the-job experience before graduation, while sponsors get a chance to mentor upcoming graduates and determine whether the intern may be a good fit for future job openings.

[John Hall](#), the founding chairman of TCEQ's predecessor agency, the Texas Natural Resource Conservation Commission, began the program in 1991 as a memorial for his friend and former U.S. Congressman Mickey Leland, who died in an airplane crash in 1989 en route to Ethiopia on a mission as Chairman of the U.S. House of Representatives Select Committee on Hunger.

Since its inception, 2,400 interns have been placed into internships and [some of the interns are still employed at TCEQ](#) and participating sponsor companies.

For more information on becoming a summer internship sponsor, [visit TCEQ's MLEIP sponsor webpage](#) and submit a sponsor request form by May 31, 2021. You may also contact Juanita Baldwin, MLEIP education and outreach coordinator, at juanita.baldwin@tceq.texas.gov or 512-239-0105.



Events in the PB Community

While PBPA does not engage in political activity, we always want to make sure our members are aware of opportunities to get to know elected officials who make decisions that impact operations in the Permian Basin. The providing of information about such events is not an endorsement of any candidate or party.

CONGRESSWOMAN YVETTE HERRELL (NM-2)

REPRESENTING THE PERMIAN & DELAWARE BASINS

EARNEST ANGELO * TIM DUNN * DICK SAULSBURY * BUBBA SAULSBURY * BEN SHEPPERD

INVITE YOU TO A LUNCHEON IN HONOR OF

NEW MEXICO CONGRESSWOMAN YVETTE HERRELL (CD2)

HOUSE NATURAL RESOURCES COMMITTEE * HOUSE OVERSIGHT COMMITTEE

VICE RANKING MEMBER, ENERGY & MINERAL RESOURCES SUB-COMMITTEE

REPRESENTING THE PERMIAN & DELAWARE BASINS * ONLY REPUBLICAN IN THE NEW MEXICO DELEGATION

TUESDAY, APRIL 27, 12:00 PM – 1:30 PM

PETROLEUM CLUB OF MIDLAND * 501 W WALL ST, MIDLAND, TX 79701

RSVP TO CECILIA MARTINEZ AT 703-801-8596 OR CECILIA@CECILIAMARTINEZ.ORG

___ \$5,800 FOR COUPLE – EVENT CO-CHAIR & NATIONAL FINANCE COMMITTEE

(\$5,800 COUPLE MAX; \$2,900 INDIVIDUAL MAX)

___ \$2,900 FOR INDIVIDUAL - EVENT CO-CHAIR (\$2,900 INDIVIDUAL MAX)

___ \$2,500 - SUGGESTED PAC MINIMUM (PAC LIMIT IS \$5,000 PER CYCLE; \$10,000 TOTAL)

___ \$1,000 INDIVIDUAL TICKET (PERSONAL LIMIT IS \$2,900 PER CYCLE; \$5,800 TOTAL)

___ NO, I CANNOT ATTEND THE RECEPTION, BUT WOULD LIKE TO MAKE A CONTRIBUTION OF \$ _____

CREDIT CARD PAYMENT: ___ VISA ___ MASTERCARD ___ AMERICAN EXPRESS

CREDIT CARD NUMBER: _____ EXPIRATION: _____ CVC: _____

NAME ON CARD: _____ BILLING ZIP: _____ SIGNATURE: _____

CHECKS PAYABLE TO: YVETTE4CONGRESS, 1111 10TH STREET #404, ALAMOGORDO, NM 88310

NAME _____ REFERRED BY _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

OCCUPATION _____ EMPLOYER _____

CELL PHONE _____ WORK PHONE: _____

EMAIL _____ EVENT: _____

FEDERAL LAW REQUIRES POLITICAL COMMITTEES TO USE THEIR BEST EFFORTS TO OBTAIN THE NAME, MAILING ADDRESS, EMPLOYER AND OCCUPATION FOR EACH INDIVIDUAL WHOSE INDIVIDUAL CONTRIBUTIONS EXCEED \$200 IN AN ELECTION CYCLE. INDIVIDUALS MAY CONTRIBUTE A MAXIMUM OF \$5800 - \$2,900 FOR PRIMARY ELECTION AND \$2,900 FOR GENERAL ELECTION. FEDERAL PACS MAY GIVE A MAXIMUM OF \$10,000, \$5,000 FOR PRIMARY AND \$5,000 FOR GENERAL ELECTION. CORPORATE CONTRIBUTIONS ARE NOT PERMITTED. CONTRIBUTIONS ARE NOT DEDUCTIBLE AS CHARITABLE CONTRIBUTIONS FOR FEDERAL INCOME TAX PURPOSES.

PAID FOR BY YVETTE4CONGRESS, ROCKY GALISSNI Treasurer

YOU ARE INVITED
TO A FUNDRAISING LUNCHEON SUPPORTING CONGRESSWOMAN

Cathy McMorris Rodgers (WA-05)

Ranking Member, Energy & Commerce Committee

WITH THREE POWERHOUSE CONGRESSWOMEN ELECTED IN 2020

Stephanie Bice (OK-05)

Kat Cammack (FL-03)

Michelle Steel (CA-48)



Wednesday, May 5, 2021
12:30 PM to 2:00 PM

Petroleum Club of Midland
501 W. Wall Street
Midland, Texas 79701

Participation Levels

\$10,000 – Chair
\$5,000 – Co-Chair
\$2,500 – Sponsor
\$1,000 – Patron

For more information or to RSVP, contact
Charlotte Forfang at The McIntosh Company
Charlotte@McIntoshCompany.com

Paid for by Win the Future Fund, a joint fundraising committee authorized by and composed of Cathy McMorris Rodgers for Congress,
CMR Political Action Committee, Value In Electing Women Political Action Committee (non-Carey account),
Washington State Republican Party (Federal Account), and NRCC. PO Box 2485, Springfield, VA 22152.



LIVE OAK CLE

Annual Permian Basin Oil & Gas Seminar

The 23rd Annual Live Oak seminar is happening on April 30. It's usually a live paid event in Midland, but given market conditions, Live Oak is offering it as a free webinar this year. You can register for free by [clicking here](#). Presentations include alternative sign-and-close asset sale deal structures, a case law update, preserving leases in bad market conditions, and mental health during the pandemic (ethics). The seminar is approved for 3 general credits and 1 ethics credit, both for attorney MCLE (TX and NM) and landman RPL/CPL.



2021 Permian Basin Environmental Regulatory Seminar

The Midland College Petroleum Professional Development Center (PPDC) and the PBPA proudly present the annual Permian Basin Environmental Regulatory Seminar.

This seminar is a proactive approach for oil and gas industry professionals to keep current on the most recent environmental regulations and policy changes. This important one-day seminar will focus on the latest state & federal regulatory updates and their operational impacts on the petroleum industry. A highlight of the event will be the presentation of the Bruno Hanson Midland College Environmental Excellence Award to a Permian Basin operator.

Thursday, May 20, 2021

Midland College • Scharbauer Student Center • Carrasco Room • 3600 N. Garfield Street, Midland, TX
7:30 a.m. to 5:00 p.m.

COST

Early Bird: \$200.00
(ends at 5:00 p.m. on April 20th)

Full Price: \$250.00
(registration closes at noon on May 19th)

Includes: Light breakfast, networking lunch,
and afternoon snacks

NO REGISTRATIONS AT THE DOOR



0.95 CEUS (9.5 HOURS)
INCLUDES 1 HOUR OF
ETHICS!

SPONSORSHIPS

For sponsorship opportunities,
please contact:

Erin Van Evera-Welch
(432) 683-2832

evaneverawelch@midland.edu

REGISTER ONLINE: <https://mcece.midland.edu> > Oil & Gas Training > Seminars/Luncheons
Or Call (432) 683-2832



The Texas Water Trade (TWT), is an organization that was created in 2019 “to significantly scale up market-based tools to protect our rivers, bays and springs and to enhance the state’s water resilience.” The TWT is a market driven non-profit that has a focus on supporting local community driven projects that need funding, technical & other support to achieve results for providing “Water for All Texans Today & Tomorrow.” Additional information about TWT and its work can be found at www.texaswatertrade.org.

Above is a flyer for a TWT event titled “LIVE FROM THE STREAM - A Virtual Music Event”, to be held on April 30, 2021. The event will showcase popular iconic Texas Musicians that are lending support to the restoration of Fort Stockton’s historically significant Comanche Springs. Under “Newsroom” on the TWT website there are several references to the project that has the support of the City, Reeve County, local groundwater district and many of the irrigators or groundwater right holders.

We wanted to bring this event to the attention of all our members, but particularly those who operate in Reeves County.



