

PERMIAN BASIN PETROLEUM ASSOCIATION

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PBPA Advocacy

Members,

These certainly are challenging times. Between public health and economic challenges, PBPA is working diligently with members to speak on a variety of issues, including trade, taxes, operating costs, regulatory flexibility, and many others. There is no shortage of the items to work on and we appreciate your feedback.

The PBPA Executive Committee remains concerned about the current low-price environment and are evaluating any and all steps in the near future that are necessary to ensure the diversity, vibrancy, and positive impact of the Permian Basin oil and gas industry. At the end of the day our efforts are for those American workers in Texas and New Mexico that provide reliable and affordable oil and gas in the United States and demonstrate the importance of domestic energy security.

I hope you will take the time to read some of these efforts below and please don't hesitate to reach out if you have thoughts on how we may continue to ensure the health and benefits of the Permian Basin and those that call it home.

Ben Shepperd President, PBPA

TEXAS - The Texas Legislative Committee met this week to discuss various concerns among operators during these unprecedented times. We recognize the challenges and were happy to have a chance to visit.

Importantly, PBPA continues to discuss our efforts with the Office of the Governor, Members of Congress, and provide updates on transportation issues

and share local information about the spread of Covid-19 from the Texas Tech University Health Sciences Center.

PBPA is submitting a letter of support to TxDOT in support their application for the newest Better Utilizing Investment to Leverage Development <u>(BUILD) Grant</u> funding for the Reeves County Improvement Project and the I-20 Energy Sector Safety Project.

Additionally, the County Transportation Infrastructure Fund <u>CTIF</u> awards are out. While unfortunately there are still matching requirements and other strings caused by delays from those seeking to dilute the focus of these energy sector dollars, this legislation was a testament to the strong effort of PBPA members in collaboration with Eagle Ford elected officials and Texas Legislators from across the state. Estimated grant amount by county may be found <u>here</u>, and program information may be found <u>here</u>.

NEW MEXICO - On Wednesday, PBPA Chairman Kyle McGraw and President Ben Shepperd joined New Mexico Governor Michelle Lujan Grisham on a call to discuss the current challenges in New Mexico. In addition to PBPA, the leadership of both NMOGA and IPANM joined the call along with several other industry representatives. The Governor laid out her efforts on COVID 19 in detail as well as the current drop in oil and gas prices. She is worried that Eddy county is in potentially vulnerable to an outbreak because an individual who refused testing and to abide by protocols has since passed away.

Governor Lujan Grisham acknowledged the tremendous impact oil and gas has on the NM economy and how devastating these conditions are to all of us. Personally and professionally. She is well aware of the potential negative impact on her state. The Governor reinforced her position that she has instructed her regulatory agencies to remain flexible through these times. She stated her support for an advocacy effort directed at encouraging the federal government to act more aggressively in response to Saudi dumping oil on the market. NMOGA will take the lead on the NM delegation and PBPA will support those efforts, though she was less committal on relaxing upcoming methane regulation.

PBPA LOCAL EFFORTS

Last week we created the <u>PBPA Covid-19 Resource Page</u> on the website for updates regarding the COVID 19 pandemic. This page includes updates from Federal, State, and Local governments impacting the Permian Basin, as well as resources for businesses, those with children in school, or those needing services, such as food and grocery delivery for seniors. We hope to provide information you might be looking for in preparation and mitigation of the COVID 19 pandemic all in one place. If you have any questions, please let us know.

<u>PBPA would like to thank SURGE Energy</u> for their donation of much needed masks at the Texas State Veterans Home in Big Spring. The facility was down to it's last masks and this donation was much needed. According to the official from the Veterans Home, *"Thank you...they are (likely literally) a life saver."*

If you have supplies for donations to fulfill local needs, please don't hesitate to reach out. While monetary donations are wonderful gestures, there simply aren't supplies to purchase from at this time.

