



PERMIAN BASIN
PETROLEUM ASSOCIATION

President's Report

The Annual Meeting

October 25, 2018 • Petroleum Club of Midland

Who is the PBPA

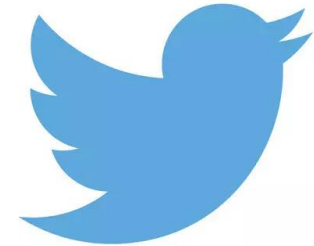
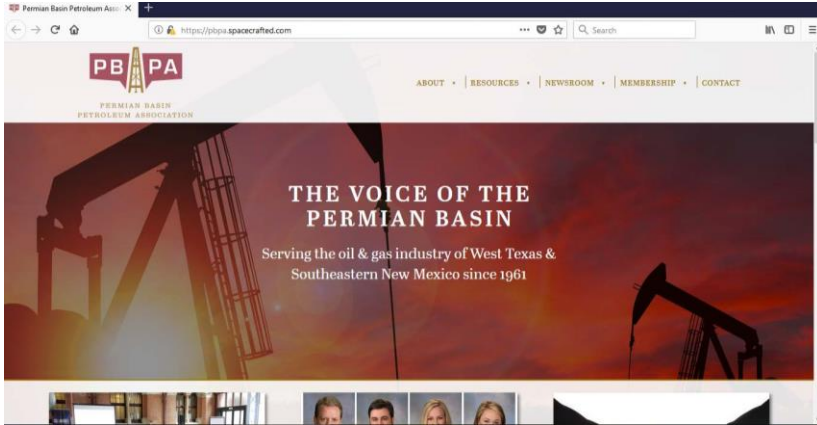
The Voice of the Permian Basin

Our Mission...

To advocate for safe and responsible oil and gas development and to provide education on safety, legislation, regulation, and support services for the industry.



Communications



THE WALL STREET
JOURNAL.

The New York Times



The Permian Basin

- As of last week, there were 493 rigs operating in the Permian Basin of West Texas and Southeast New Mexico.
 - ▣ 39% of all rigs in North America
 - ▣ 46% of all rigs in the United States
 - ▣ 72% of all rigs in Texas
 - ▣ 98% of all rigs in New Mexico
- Through 2017, just in Texas
 - ▣ 30 billion barrels of crude
 - ▣ 75 trillion cubic feet of natural gas



Santa Rita #1

Recent Advocacy

□ Texas & New Mexico

- Texas Senate Natural Resources
- Texas House Energy Resources
- Carlsbad Mayor's Energy Summit
- New Mexico EnergyPlex Conference
- Permian Road Safety Coalition
- West Texas Mayors Group
- West Texas Legislative Summit
- Public Utility Commission
- Pipeline Takeaway Capacity
- HSE Benchmarking Study & Best Practices Sharing

□ Federal

- Bureau of Land Management
 - Resource Management Plan
 - Finalized Waste Prevention Rule
- Environmental Protection Agency
 - Revised subpart OOOOa
 - Control Techniques Guidelines (CTGs)
 - New Audit Program
- Endangered Species Act
 - Texas Conservation Plan – Dunes Sagebrush Lizard
 - Lesser Prairie Chicken
 - 4B Rule
 - Sue & Settle changes

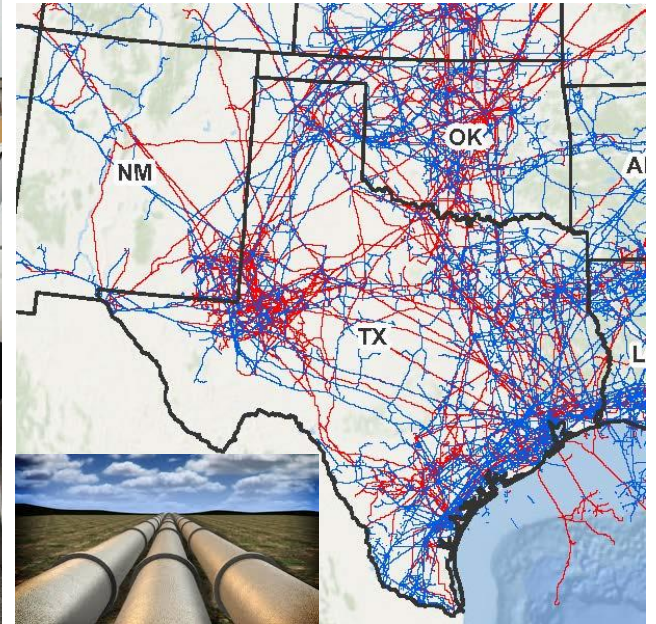


PBPA Committees

- Regulatory Practices Committee
- Legislative Committee
 - Texas
- Legislative Committee
 - New Mexico
- Legal Committee
- Electrical Coalition
- Water Committee
- Community Affairs Committee
- Local Issues Committee
- Health, Safety, and Environment Committee
- Species, Habitat, and Operations Committee
- Takeaway Task Force



Barriers to Continued Growth



Infrastructure / Safety



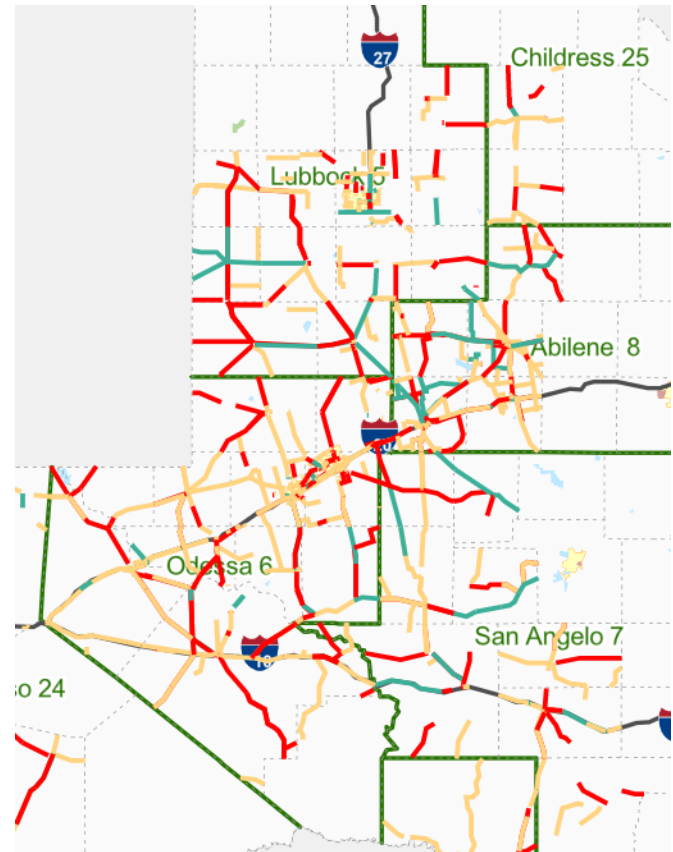
Planned Investment in Energy Sector Corridor

For FY 2019 - FY 2028

Abilene	\$538 million
El Paso	\$612 million
Lubbock	\$718 million
Odessa	\$1.1 billion
San Angelo	\$486 million

Total planned investments equals

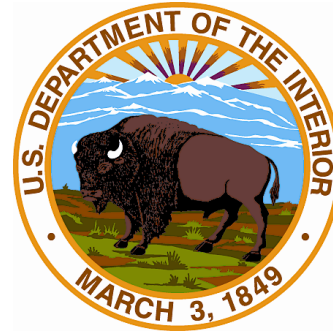
\$3.4 billion



PBPA Takeaway Task Force



Endangered Species Act





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