



The Standard

Vol 4., Issue No. 22



Members,

It was great to see so many of you during the fourth quarter at our different committee meetings and Quarterly Board Meeting where we recapped the last year and looked ahead to 2022. As we reviewed our efforts there and here, we are proud of the work we have done but recognize there is plenty of unfinished business on issues that are so important to our industry here in the Permian Basin. As we do see this year come to a close there are still several important issues to look forward to and they include:

- PBPA Top Hand Award
- RRC: Critical Designation of Infrastructure Information and Workshops Online and In-Person
- EPA Methane Rules
- Permian Basin Water in Energy Conference
- OCD Seismicity Reminder
- Midland College PPDC Training Courses

While we will still be working on your behalf through the end of 2021 and into 2022, if we don't see you before the calendar flips over, we wanted to wish you a very Merry Christmas and a Happy New Year.

Regards,

Ben Shepperd



2021 Top Hand Awards Banquet

honoring

Mr. Autry C. Stephens

January 20, 2022

The Petroleum Club of Midland

Top Hand Award Ceremony

PBPA is proud to recognize our 2021 Top Hand Award honoree, Mr. Autry C. Stephens of Endeavor Energy Resources, on Tuesday, January 20, 2022! And, based on the response for attendance we've received so far, we know you are too. Seats are already extremely limited with only one table remaining in the main ballroom. If you have received your seat yet, please contact Jamie@PBPA.info before it's too late!



Permian Basin Petroleum Association

cordially requests the honor of your presence
to attend the

2021 Top Hand Award Banquet
honoring

Autry C. Stephens

of Endeavor Energy Resources, LP

Thursday, the twentieth of January
two thousand and twenty two

Petroleum Club of Midland
501 West Street

Five o'clock Reception Seven o'clock Banquet Dinner

Black Tie Optional
Tables will be made available

2021 Top Hand Award Banquet

REPLY CARD

Ballroom Tables

MAIN BALLROOM

Diamond - \$10,000 • Platinum - \$5,000 • Gold - \$3,000

NORTH DINING ROOM

Silver - \$1,500 • Individual Seating - \$200

NAME _____
COMPANY _____
TABLE SELECTION _____ PHONE _____
BILLING ADDRESS _____
CITY _____ STATE _____ ZIP _____
EMAIL _____

Guest List

1 _____ 5 _____
2 _____ 6 _____
3 _____ 7 _____
4 _____ 8 _____

Payment

TOTAL AMOUNT \$ _____
 CHECK ENCLOSED (Payable to PBPA) BILL ME (Members Only)
 VISA MASTERCARD AMEX
(+3% Credit Card fee)
CC# _____ EXP. ____/____ CVC _____ ZIP _____

Your contribution is tax deductible to the extent of the law.
The fair market value is \$200 per person.



Critical Designation of Natural Gas Infrastructure

On Tuesday, November 30, 2021, the Railroad Commission of Texas (RRC) adopted the following:

[Adoption of new 16 Texas Administrative Code §3.65, relating to Critical Designation of Natural Gas Infrastructure, and amendments to §3.107, relating to Penalty Guidelines for Oil and Gas Violations. Adoption of corresponding Forms CI-D and CI-X.](#)

In addition, [the RRC shared a letter they have sent to the PUC](#) regarding proposed tiers of natural gas critical customers for load shed purposes.

This one pager summary of the rule might be helpful: [One Pager](#)

Note that the effective date of the rule is Dec. 20th and the deadline for the first filing is January 15th.

[THE FIRST WEBINAR FOR COMPLIANCE REGARDING WINTER RULES IS TODAY, DECEMBER 16, 2021.](#)

[If you have not registered and would like to, please do so here.](#)

[Additionally, an in person event has been scheduled in Houston for 12/17. Please click here for more information](#)

RRC Hosts Preparing for LoneSTAR Webinars in January

The RRC will also host two free webinars entitled *Preparing for LoneSTAR* on January 5, 2022. The webinar will begin at 10 a.m.

The webinar will inform and train oil and gas and pipeline operators on actions needed to prepare for the first release of the LoneSTAR application. Presentation topics include:

- what data is being collected for existing officers and filing agents to ease LoneSTAR account setup,
- how RRC's Access Management Process (RAMP) and RRC Online System accounts are different, and
- how RAMP access to LoneSTAR is related to RAMP access to RRC's Case Administration Service Electronic System (CASES) and Pipeline Inspection, Permitting, & Evaluation System (PIPES).

The first LoneSTAR release, scheduled to go live in early 2022, will include the process for filing a new Form P-5, *Organization Report*, which is required to become an oil or gas operator or pipeline operator under the jurisdiction of the RRC. Also included in the first release is the Form W-3C, for *Certification of Surface Equipment Removal for an Inactive Well*.

To register, visit the RRC Zoom website at:

- Wednesday, January 5, 2022: https://www.zoomgov.com/webinar/register/WN_z7ALSoR7Tte3-kWKlWjLqW.



PBPA is currently working on comments regarding the U.S. Environmental Protection Agency's proposed new rules on [Standards of Performance for New, Reconstructed, and Modified Sources and Emissions Guidelines for Existing Sources in the oil and gas sector](#). The deadline for submission of these comments has been moved to January 31, 2022. If you are interested in engaging with PBPA on these comments, please contact Stephen@pbpa.info.



The Permian Basin Petroleum Association is proud to support the 2022 Permian Basin Water In Energy Conference!

The Permian Basin Water In Energy Conference connects industry leaders, experts, and professionals to exchange best practices and cutting-edge approaches for the use of water in oil and gas production. Its mission is to facilitate collaboration and innovative strategy development for the improved use, recovery, and recycling of water in the oil industry.

The Permian Basin Water In Energy Conference is a program of The University of Texas Permian Basin. The UT Permian Basin College of Business Advisory Council initiated the conference idea in 2017. Since then, the PBWIEC has grown into a sought-after networking event and annual marketplace of ideas. UT Permian Basin’s Shepperd Leadership Institute is now home to the PBWIEC, allowing students at UTPB to directly benefit from the conference proceeds.

We hope you will join us for the 2022 Permian Basin Water In Energy Conference from February 22-24, 2022.

VIP Welcome Reception
Tuesday, February 22, 2022 | 6 p.m. – 9 p.m.
The Petroleum Museum

Conference Sessions – Day 1
Wednesday, February 23 | 8:30 a.m. – 4:30 p.m.
Midland County Horseshoe Arena

Dinner with Keynote Speaker
Wednesday, February 23, 2022 | 6 p.m. – 9 p.m.
The Petroleum Club

Conference Sessions – Day 2
Thursday, February 24, 2022 | 8:30 a.m. – 4:30 p.m.
Midland County Horseshoe Arena

The two-day long conference will feature dozens of speakers, including PBPA President, Ben Shepperd.

Continuing education credits are available for professional engineers and landmen.

[Learn more and register HERE](#)

OCD Seismicity Protocols

On Tuesday, November 23, the OCD released a guidance and protocol for responses to seismic events. By this guidance, the OCD hopes to prevent, mitigate and reduce seismic activity caused by UIC class II injection disposal wells for produced water and other fluids generated during oil and gas production. The notice outlines OCD immediate response protocols for UIC disposal well operators to follow, including both reporting and operational requirements, and the next steps the OCD will take if seismic activity continues in a given area.

The notice details the following actions taken by the OCD:

- Pending permits will require additional review in the area south of Malaga along the state line (referred to in the notice as County Line Seismic Response Area);
- A statewide response protocol that includes the following:
 - Category 1 reporting and monitoring measures will be required when two magnitude 2.5 events occur within 30 days and within a 10 mile radius: within 10 miles of the epicenter operators will be required to provide weekly reporting of daily injection volumes and average daily surface pressure, digitally measure injection volume and pressure, provide an analysis identifying the perforated injection interval and formation tops, and share monitor data with OCD when requested. Additional requirements may be added if determined appropriate by the OCD.
 - Category 2 goes into effect if one magnitude 3.0+ event occurs: for a magnitude 3+ event operators must follow all protocols of Category 1 plus implement a 50% injection rate reduction within 0-3 miles, and a 25% reduction between 3-6 miles. For a 3.5+ event operators must follow all protocols of Category 1 plus shut-in operations at 0-3 miles, and implement at 50% rate reduction at 3-6 miles, and a 25% rate reduction at 6-10 miles.

Pertinent documents include the following:

[Seismicity Guidance](#)

[Final Seismic Form](#)

[Mitigation Protocol Table](#)

[Induced Seismicity Pending Permits](#)

[Induced Seismicity Immediate Response Plan](#)

PBPA has been working with our members, other trade associations, and the OCD on this matter. If you have any questions about the above, please let us know.



The Midland College Petroleum Professional Development Center (MC PPDC) provides quality training programs designed to keep oil and gas industry professionals current in their areas of expertise by offering the latest industry updates, as well as providing timely and pertinent educational opportunities. Click the below links for upcoming classes being offered by the MC PPDC in the coming months.

Please take special notice of a relatively new class being offered on Environmental, Social, and

Corporate Governance (ESG). ESG has major business implications, while also causing the need for long-term financial sustainability and operational transparency planning. It is better for our industry to be pro-active in their reporting and telling their own story instead of being on the defense. For too long oil & gas has been the “guy in the black hat” and we need to be aggressive in sharing our environmental and community accomplishments instead of meekly announcing our accolades.

All classes are held in-person at the PPDC unless designated “online” in the course description.

[Training Guide](#)

[Risk Management](#)

[ESG Fundamentals](#)

