

## The Standard

Vol. 5, Issue No. 14



Members,

The 2022 General Elections in both Texas and New Mexico will be held on November 8, 2022. Early voting started in Texas on October 24, 2022 and will run through November 4, 2022. Early voting in New Mexico started on October 11, 2022 and runs through November 5, 2022. Whether it is a local, state or federal race, elected officials at every level of government can have an impact on energy development in the Permian Basin. You can be your own advocate by making sure you vote for pro-energy candidates at every level of government. For more information on elections in your community, visit [www.votetexas.gov](http://www.votetexas.gov) or [www.sos.state.nm.us](http://www.sos.state.nm.us).

In this issue of The Standard, we provide you with updates on the advocacy PBPA has been undertaking to protect your right to operate in the Permian Basin and other important information on events in our region:

**PBPA In Action**

- 2022 Top Hand Award Banquet
- 60th Annual Meeting Review
- Agency Engagement
- Texas Interim Committees
- Official Comments, RRC and EPA
- Additional PBPA Advocacy
- Committees & Working Groups

### **Events to Know**

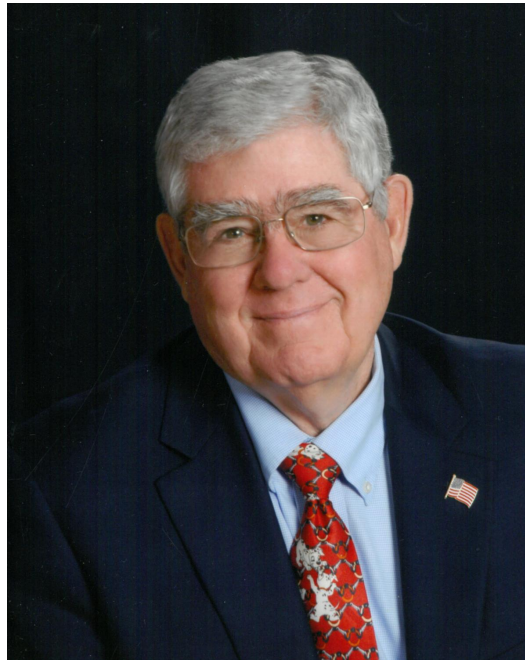
- MC PPDC Programs
- PBWMC Clay Shoot
- PB Association of Pipeliners

Regards,

Ben Shepperd



## 2022 Top Hand Banquet



At PBPA's 60th Annual Meeting, we announced that the 2022 Top Hand Award honoree will be Don L. Sparks of Discovery Operating. The PBPA Top Hand is the highest award bestowed by the members of the PBPA, and one of the highest honors given to an energy professional in the Permian Basin. Being a Top Hand means that you exemplify all of the best qualities of professional and community service. Join us in congratulating Don Sparks for this well deserved honor.

We will be recognizing Mr. Sparks as the 2022 Top Hand Award honoree on Wednesday, January 18, 2023 at the Top Hand Award Banquet and we hope to see you there!

Seating always fills up quickly for the Top Hand Award Banquet. To make sure you have a

spot, secure your reservation today! To attend the 2022 Top Hand Award Banquet, fill out the below Reply Card and send it in to Jamie Ramirez, [jamie@pbpa.info](mailto:jamie@pbpa.info).



*Permian Basin Petroleum Association*

*cordially requests the honor of your presence  
to attend the*

*2022 Top Hand Award Banquet*

*honoring*

*Don L. Sparks*

*of Discovery Operating, Inc.*

*Wednesday, the eighteenth of January*

*two thousand and twenty three*

*Petroleum Club of Midland*

*501 West Street*

*Five o'clock Reception, Seven o'clock Banquet Dinner*

*Black Tie Optional*

*Tables will be made available*

*2022 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 - \$250

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 \$250 per person.



Thank you to all our members who sponsored or attended PBPA's 60th Annual Meeting. We hope everyone had a tremendous time learning from the elected officials and experts who contributed to our panels and presentations. Our events would not be possible without you and we again want to thank everyone for their time and support. For those with login credentials for the Members Only section of PBPA's website, Keynote Speaker Colin Fenton's

## Thank you to our Sponsors!

### Platinum

# PIONEER

NATURAL RESOURCES



### All-Events

Cudd Energy Services

Oncor Electric Delivery

Permian Resources

Redfern & Grover Resources

XTO Energy

### Black Gold

CrownQuest Operating, LLC

Frost Bank

Henry Resources, LLC

Sivalls, Inc.

West Texas National Bank

### Welcome Reception

Caballo Loco Midstream LLC

Discovery Operating, Inc.

Petroleum Museum

Summit Petroleum LLC

### Kick Off Breakfast

EnerVest, Ltd.

Great Western Drilling

Latigo Petroleum, LLC

Abel Oil Tools

### Membership Luncheon

CEHMM

Elevation Resources

H2O Midstream LLC

Lucky Family of Excellence

Tax Advisors Group

RK Supply

Marathon Oil Corp.

WaterBridge

OTA Compression

Weaver & Tidwell LLP

Purvis Operating Co.

Stage Completions

Tall City Exploration

Vencer Energy, LLC

---

## **Agency Engagement**

Last week, PBPA staff and several of our members were able to meet with Texas Railroad Commissioner Christi Craddick to discuss a number of issues regarding the Commission and the oil and gas industry of the Permian Basin. This was the third such meeting held in the last several weeks between PBPA and heads of Texas regulatory agencies, following meetings with Railroad Commissioner Jim Wright and Texas Commission on Environmental Quality Commissioner Emily Lindley. The discussions with Commissioners were each hosted for our members at PBPA's office. Last week, PBPA staff also met with representatives from the Electric Reliability Council of Texas to continue discussing planned improvements for electrical transmission in the Permian Basin.

During the discussion with Commissioner Craddick, PBPA Board members were able to share their feedback and thoughts about ongoing efforts by the Commission to implement changes required by the Texas Legislature in Senate Bill 3. As all members are aware, this has continued to be a focus for our industry and this discussion is only a recent example of our efforts to advocate on behalf of operators across the Permian Basin. As the Commission plans on taking up the amendments to Rule 3.65 next week, we are continuing our efforts to discuss what changes are necessary to ensure a reliable electric grid and a reasonable rule that functions for the benefit of Texans across the state. These direct conversations are critical in helping the Commissioners fully understand PBPA's positions on such matters.

PBPA prides itself on being able to connect our members with key decision makers in Austin, Santa Fe and Washington, D.C. We know how important it is for these leaders to hear from our members about the issues that really impact operations on the ground. For more information about these meetings, please contact any member of the PBPA staff.

---

## **Texas House Interim Committees**



PBPA was honored to host and testify before the House Energy Resources Committee as they met in Midland a few weeks ago. PBPA President Ben Shepperd joined the members of

this important House Committee including Speaker Tom Craddick and Chairman Craig Goldman to discuss the challenges and the opportunities that exist in the Permian Basin. In addition to hosting the Committee in Midland, members of the PBPA Board of Directors were invited to join the Committee to discuss vital energy issues across the Permian Basin and beyond. We are very grateful for the Committee Members that traveled from across Texas to join and of course for Speaker Tom Craddick's interest in ensuring this Committee had the opportunity to see field operations, visit with members, and listen to testimony at the Petroleum Museum.

In Odessa, Texas House Environmental Regulation Committee Chairman Brooks Landgraf invited PBPA to participate in a Interim Committee Hearing to discuss the possible non-attainment designation by the U.S. Environmental Protection Agency for the Permian Basin as well as other federal rulemakings that have the possibility of impacting the Permian Basin. In his testimony, PBPA's Michael Lozano laid out our members' concerns and was honored to engage with members of the Committee through a rig tour as well as a robust discussion afterward. It is always a privilege to see legislative committees visit the Permian Basin and we greatly appreciate the opportunity to visit those that traveled out of their way to listen to industry concerns at the Ector Theatre.

---

### **PBPA Official Comments**

In early October, PBPA submitted official comments on two different regulatory proposals. One concerned proposed changes to Statewide Rule 3.65, relating to Critical Designation of Natural Gas Infrastructure by the Railroad Commission of Texas (RRC) and another concerned the U.S. Environmental Protection Agency's (EPA) proposed changes to the federal Greenhouse Gas Reporting Rules (GHGRP). These comments were only possible because of the hard work and dedication of the members of PBPA's working groups on these proposed revisions. Thank you to each of those individuals and their companies who supported these efforts.

PBPA's comments regarding the proposed amendments to Statewide Rule 3.65 supported the proposed increase in the minimal production threshold to 250 mcf/d for gas wells and 500 mcf/d in oil leases. However, PBPA still expressed several concerns with the most recent version of the proposed rule. For instance, PBPA is still concerned that operators are excluded from simply applying for an exception under the rule. We feel that the RRC should maintain a process that affords the agency an opportunity to review any information an operator presents in order to best determine whether or not a facility is truly critical. [Click here](#) for PBPA's full comments on the proposed amendments to Statewide Rule 3.65

As to the GHGRP proposed changes, while PBPA is in favor of improving the quality and consistency of the data collected under the GHGRP, we argued that such changes should not be made if they primarily, if not entirely, result in increased reporting requirements and data collection with no improvement in the quality or consistency of the data collected. Among more specific comments, PBPA members generally expressed their concern that the EPA had not properly accounted for increased recordkeeping and reporting for the newly added sources, particularly as to tracking malfunctioning pneumatics and open thief hatches. [Click here](#) for PBPA's full comments.

---

### **Additional PBPA Advocacy**



### **NMOGA Annual Meeting**

PBPA's Stephen Robertson was a participating speaker at the New Mexico Oil & Gas Association's Annual Meeting held in Santa Fe, New Mexico earlier this month. Stephen was joined by representatives from the Independent Petroleum Association of New Mexico, Petroleum Association of Wyoming, Petroleum Alliance of Oklahoma, and the Colorado Oil and Gas Association for a panel discussion on the common ground amongst the trade associations throughout the five state range. While the participating trade associations do not represent the exact same members, when it comes to fighting for the domestic oil and gas industry, there is plenty of common ground.

### **IADC Permian Basin Regional Forum**

Stephen also presented to those attending the International Association of Drilling Contractor's Permian Basin Regional Forum, held in Midland at the County Horseshoe. The presentation focused on the current and upcoming legislative and regulatory issues impacting operations in the Permian Basin in Texas and New Mexico. Leading up to this presentation, a common theme throughout the forum was the need for high quality workforce at every level of operations.

### **DEPA Quarterly Meeting**

Just last week, Stephen attended the Domestic Energy Producers Alliance quarterly meeting as well as the Trade Association Liaison Committee meeting both of which were held in Odessa. These meetings provide unparalleled opportunities to work with a variety of stakeholders interested in protecting domestic oil and gas operations in the United States, and particularly in the Permian Basin. DEPA is one of many federal partners PBPA works with to fight for our member's interests in Washington, D.C.

### **Desk & Derrick Annual Industry Appreciation Dinner**

Former PBPA Chairman Kirk Edwards moderated a panel discussion with Railroad Commissioner Jim Wright, PBPA's Stephen Robertson, EVP and COO of FESCO, Ltd., Justin Findley, and CEO of American Energy Management, Carter Robinson. The panel discussed a variety of issues impacting operations in the Permian Basin, including workforce concerns, supply chain constraints, the regulatory environment both at the state and federal levels, as well as the importance of organizations like the Desk & Derrick Club of Midland, which has been a staple of our community and of many of your companies since the 1950s.

### **Carlsbad Mayor's Summit**

PBPA's Ben Shepperd was invited to participate on a panel discussion at this year's Carlsbad

Mayor's Summit and was joined by representatives from NMOGA and IPANM who shared their perspectives on the important issues that trade associations engage in to advocate for their members. PBPA is proud to be a long time supporter of this event and also attended the welcome reception where there were numerous opportunities to visit with staff from the Governor's office, the Lt. Governor's Office, the State Land Office, as well as members of the New Mexico State House, State Senate, and the U.S. House of Representatives. Our efforts to engage directly with local leaders, residents, and elected officials across the Land of Enchantment is a priority and we look forward to continuing to do so ahead of the next legislative session.

---

## **Upcoming PBPA Committee Meetings**

- Regulatory Practices Committee Meeting, October 26, 2022
- Health, Safety and Environment Committee Meeting, November 8, 2022

For more information on these or any of our other committees, please contact Stephen Robertson at [stephen@pbpa.info](mailto:stephen@pbpa.info) or (432) 684-6345.

## **PBPA Working Groups**

- The Railroad Commission of Texas is holding an initial meeting with invited participants to discuss changes to Statewide Rule 32, including a special provision that would authorize certain flaring at high-volume, consolidated production facilities. At this time, it is not known if such changes will require rule modification or can be authorized by policy. We have been informed that Commission staff is aware of some efficiency and practicability concerns with the current administrative program for issuing exceptions to Statewide Rule 32, so hopefully some rational adjustments will be made. It is not known at this time if PBPA will assemble a working group on this matter, but if you are interested in joining such an effort, please let us know.
- We have been informed the idea of revising Statewide Rule 8 is being floated by the Railroad Commission. Their proposal, among other changes, is to move Statewide Rule 8 into Chapter 4 along with commercial recycling in new Subchapter A. PBPA discussed at our recent Regulatory Practices Committee assembling a working group to track this effort, review and possibly provide comment to any proposed reviews if this effort continues to gain momentum. The PBPA is also working with the Joint Trades to organize meetings (the first such meeting being held on September 9) and collect feedback inclusive of the industry and to better assist operators in providing industry wide feedback to the proposals.

For more information on these or inquiries regarding any other working group efforts, please contact Stephen Robertson at [stephen@pbpa.info](mailto:stephen@pbpa.info) or (432) 684-6345.



## **News and Events to Know**



## **MC PPDC Programs**

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.

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

**Customized Training Available!** For more information contact Midland College PPDC at (432) 683-2832 or [cepetroleumtraining@midland.edu](mailto:cepetroleumtraining@midland.edu)

Training Guide

Risk  
Management

H2S Clear  
Training

ESG Fundamentals

Leadership  
Training

# 3rd Annual PBWMC CLAY SHOOT



## 1 In 4 Wins A Gun

**Lunch Provided**

Hosted By:  
The Permian  
Basin Water  
Management  
Council

Benefiting:  
**Jacqueline Durand**



and  
**DOING THE  
MOST GOOD**  
SERVING MIDLAND, TEXAS

Please Email Registration  
Forms and Logo Information to  
Taylor McCoy  
[Taylor.McCoy@XRIwater.com](mailto:Taylor.McCoy@XRIwater.com)

WHERE

**Jakes Clays: 13301 FM 1379**

WHEN

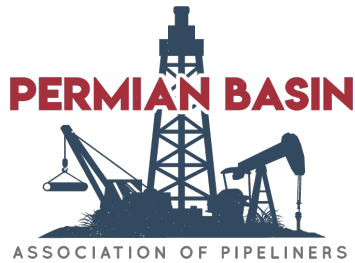
**Thursday October 27<sup>th</sup>**

EVENT  
SCHEDULE

**10am- 12pm** Registration (Meet and Greet)  
**12pm-1pm** Lunch Provided  
**1pm-2pm** Legislative Discussion  
**2pm-2:15pm** Range Safety  
**3pm-** Shot Gun Start  
Gun Raffle and Gun Boards to follow directly  
after shoot

SPONSOR  
LEVELS

**\$1,000 Per Four Man Team:**  
-Includes T Shirt for All Four Shooters  
**Level 1 Sponsor: Thunderstorm \$2,000**  
- 1 Four Man Team / Logo on Banner/  
Team Shirts  
**Level 2 Sponsor: Cyclone \$3,000**  
- 1 Four Man Team / Stand Alone Banner/  
Logo on Back of Shirts / Team Shirts /  
Recognition at Event  
**Level 3 Sponsor: Tsunami \$6,000**  
- Option of Cooking at Event or Booth  
Space for Equipment or Table / 2 Four  
Man Teams/ Stand Alone Banner/ Large  
Logo on Back of Shirts / Team Shirts  
**(Golf Carts are Not Included - \$50 per cart)**



The Permian Basin Association of Pipeliners is hosting their Delaware Basin Chapter Luncheon and 2023 Officer Awards on Tuesday, November 15, 2022, starting at 11:30 AM at Poor Daddy's Smokehouse in Kermit, Texas. For more information on this event, or the Association of Pipeliners, please visit <https://pbaop.wildapricot.org/>



Permian Basin Petroleum Association | 601 North Marienfeld, Suite 200, Midland, TX 79701

[Unsubscribe stephen@pbpa.info](mailto:stephen@pbpa.info)

[Update Profile](#) | [Constant Contact Data Notice](#)

Sent by [stephen@pbpa.info](mailto:stephen@pbpa.info) powered by



Try email marketing for free today!