

PERMIAN BASIN PETROLEUM ASSOCIATION



PBPA Advocacy

PBPA is actively working in Texas, New Mexico, and with the Federal Government on various government agency rule-making. On all of these issues we would like to thank the PBPA Regulatory Committee for their great effort to work with elected and appointed officials. If you would like to be more involved feel free to contact us to join in committee efforts to advocate on behalf of the industry on issues like these. Most recently, some of these efforts include:

Federal:

EPA OOOOa technical updates should be available by the end of the year. During the comment period, EPA recieved 500,000 responses and is working through those.

WOTUS: Last week, the EPA announced the withdrawal of previous Waters of the US rule and restored the pre-2015 rules. This determination should be effective 60 days after it is published in the Federal Register.

ESA: The Trump Administration has announced changes in their interpretation of the Endangered Species Act. Specifically, it adds "based solely on the best available science and commercial information" and removes "without reference to economic impact" from the rule. This finally will allow for the economic impact of a listing decision to be considered under the ESA.

New Mexico:

Today, the NMED published the meeting materials for their Produced Water Update taking place tonight in Carlsbad. It can be accessed <u>here</u>. Doors open at 5 p.m. The meeting will be held at: Pecos River Village Conference Center, Carousel House. 711 Muscatel Avenue, Carlsbad, New Mexico 88220.

PBPA is awaiting to hear from OCD on new injection rules, however the timetable is unclear. We will continue to monitor the situation and update everyone accordingly.

OCD/NMED have been tasked with establishing an options paper for consideration and comment in the next couple of weeks. Over the next year, or more, NMED regulations are anticipated to take place, however OCD regulations could be ready sooner. We are at the table in these conversations and will continue to update through the RPC.

Texas RRC:

Pipeline Safety rules: The Commission published for formal comment proposed revisions to Chapter 8 and Statewide Rule 70. Proposals are attached. Comments are being accepted until

November 18, 2019.

Rule 40 Rulemaking: The comment period for Rule 40 is open and the RPC is currently working on PBPA's official comments. If you would like to share your companies, thoughts, do not hesitate to do so as soon as possible as time is running out.

Texas Department of Transportation:

TxDOT is currently working on establishing the rules related to the passage of PBPA supported House Bill 4280. This bill establishes the grant program for the \$250m in total funds that will be granted to counties for county road improvements in energy producing regions. Please follow this link to learn about the proposed minute order and contact us if you have any questions.

This is not meant to capture every rule, or proposal before every agency at the states or federal level, so again, please feel free to reach out if you would like to be more involved in PBPA committee activity to lend your voice on the various and vital issues we tackle daily.



PBPA in Action





PBPA President Ben Shepperd was honored to join longtime PBPA member Mr. Scott D. Sheffield, the President and CEO of Pioneer Natural Resources Company as he accepted the 2019 Kay Bailey Hutchison Center Award for Outstanding Excellence in the Energy Industry from NATO Ambassador, and former U.S. Senator from Texas, Kay Bailey Hutchison. Our members are energy trailblazers and we thank the KBH Energy Center at the University of Texas for their efforts and for recognizing Mr. Sheffield.



PBPA was proud to participate in the <u>Permian Basin Group Quarters Symposium</u> along with other local groups supporting the United States Census 2020.

Specifically, the symposium was an opportunity for companies and areas who utilize group living quarters, such as man camps, RVs, hotels, and transitory stations, to understand how to participate in, and be prepared for the Census operation on April 1, 2020.







PBPA staffer, Julie Green, is in Alpine today for the <u>Saving Family Lands Seminar</u> and listening to a day long discussion on land use in the Big Bend region. Presentations from the Texas Agricultural Land Trust, the Texas and Southwestern Cattle Raisers Association, the Borderlands Research Institute, the University of Texas at Austin Bureau of Economic Geology, University Lands, and Agri-life Extension Services.



PBPA also joined the Permian Basin Coalition and the Midland Odessa Transportation Alliance as they met in Midland this week to discuss the importance of critical infrastructure throughout the Permian Basin. At the end of the day, our communities need these vital transportation investments to continue to move people and product safely across the region and the world. We are proud to support pipeline and transportation



<u>infrastructure investments</u>, <u>including the recently announced USDOT Grand for US 285</u> <u>in Southeast New Mexico</u> that you can read about <u>here</u>.



And recently, Stephen Robertson moderated a panel on Powering the Permian Basin at the Gulf Coast Power Association's fall conference in Austin. Stephen, along with PBPA member employees Pioneer's Johnny Carlock, Pioneer Natural Resources, and Ellen Buck, Oncor, who

participated as a panelist, helped to bring the issues of power need in the Permian Basin to a broader audience. These opportunities help us further the efforts of groups like our Electrical Coalition to bring reliable electrical transmission and distribution to all parts of the Permian Basin.





