



PBPA Members,

On behalf of the PBPA staff, I'd like to wish all of our members a Merry Christmas and a Happy New Year. By every measurement 2019 was a banner year for the Permian Basin Petroleum Association, across the board.

While our work took us to every corner of the Permian Basin on community outreach and even further beyond to advocate in Austin, Santa Fe, and Washington, D.C., our work has stayed true to the priorities that have made our association so valuable for members since our founding. And while 2020 may be even more of a challenge, PBPA is up to the task! Until then, however, we hope you find some time to enjoy the holiday season and appreciate the great accomplishments we achieved together in 2019.

Warmest regards,

A handwritten signature in blue ink that reads "Ben Shepperd".

Ben Shepperd  
PBPA President



**2019 Top Hand**



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.

PBPA is proud to bring you the the 2019 Top Hand Award Banquet honoring C. R. "Dick" Saulsbury. We look forward to honoring Mr. Saulsbury at the Permian Basin 2019 Top Hand Award Banquet on January 16, 2020 at the Petroleum Club of Midland. But if you haven't already booked your seat, don't hesitate as seats are selling out! We are currently already sold out of Gold Tables.

For registration information, please [click here](#), or contact Jamie Ramirez at [jamie@pbpa.info](mailto:jamie@pbpa.info). We've already received an outstanding response. If you're interested in reserving your seat, reach out now before it's too late!



## PBPA in Action



On Tuesday, December 10, 2019, the Texas Tribune hosted a conversation on how the oil and gas industry impacts Texas. The event was held in the Saulsbury Campus Center at Odessa College. PBPA President, Ben Shepperd, participated in the panel discussion moderated by Ross Ramsey, executive editor of the Texas Tribune, along with State Representative Brooks Landgraf and CEO of the

This was another chance for PBPA to clarify the complicated and often misunderstood issues of our industry, but also tout the efforts, challenges, and opportunities that exist in the Permian Basin. If you missed the event live, you can watch a recording [here](#).

## **Methane Emission Intensity Down**

Texans for Natural Gas, working with PBPA and NMOGA, has released a [report](#) showing that methane emissions intensity in the Permian Basin has declined significantly over the past seven years as oil production nearly tripled over the same period.

Key points from the report:

- **METHANE INTENSITY DECLINE:** In the past seven years, Permian Basin operators have reduced methane emissions intensity by nearly 64 percent.
- **LOWER FLARING RATES:** Based on data from the World Bank, if the Permian Basin were its own country it would rank 45th in flaring intensity – far below other major producers like Venezuela, Iran, and Russia.
- **RECORD PERMIAN PRODUCTION:** The Permian Basin continues to be the world’s top producing oilfield and is currently the fourth largest oil and gas producing area in the world. Since 2011, oil production in the Permian has increased by over 210 percent.

In discussing the report, PBPA President Ben Shepperd provided that, “the Permian Basin today is producing prosperity across Texas and New Mexico as well as American energy security. As this new analysis shows, our producers are proving every day that energy production and environmental stewardship are not mutually exclusive, and we are committed to sustainable energy policies. Our members’ efforts to reduce the environmental impact of our operations continues through innovation and investment and we are proud of the bright future for the Permian Basin.”

The report is being picked up locally ([CBS7](#)) and nationally ([Bloomberg](#)).

## **Joint Committee Meeting**

PBPA has a collection of outstanding committees which focus on a number of different issues impacting your operations in the Permian Basin. PBPA is currently planning a joint meeting between the members of our three of our committees, our Health, Safety & Environment, Water, and Regulatory Practices Committees, for January 2020.

At the joint meeting, we’ll hear from Investigator Tim Telck of the Midland County Environmental Enforcement Department about his department’s roll

regarding environmental law compliance in Midland County, and how that department does and could interact with oil and gas companies. The Environmental Enforcement Department in Midland County, and similar departments in other counties in the Permian Basin, is one that we all need to know more about.

If you aren't a member of one of these committees, but are interested in attending the meeting, please let us know.



## For Your Information



### **RULES ANNOUNCEMENT**

At its open meeting on December 17, 2019, the Railroad Commission of Texas adopted amendments to four rulemakings, including various rules in Chapter 8; §3.70; various rules in Chapter 9; and §12.108. The adopted amendments will be published in the Friday, January 3, 2020, issue of the Texas Register, and will be effective on Monday, January 6, 2020. The PDF versions of the adoptions are available at the link below.

For more information on this and other rulemakings, or to access the online comment form for any proposed rulemakings, please see the Proposed Rules table at this link:

<http://www.rrc.texas.gov/general-counsel/rules/proposed-rules/>



TxDOT is starting major construction on the entire SH 302 corridor beginning Spring 2020. [Click here](#) for an overview of the upcoming construction. If you have questions or input about TxDOT's planned construction, please reach out to Saul Romero, P.E., Odessa Area Engineer in the TxDOT Odessa District Office at (432)



On December 13, 2019, the Railroad Commission of Texas announced several one-day Regulatory Forums to be held in the spring. Two of these forums will be in Midland on April 1 and April 2, 2020. The Commission is hosting these forums to educate and train energy industry representatives on a variety of topics including: drilling permitting; completions; Form P-16, Acreage Designation; injection well permitting; and, pipeline permitting. The registration fee to attend any of these one-day forums is \$100 per person. For additional event information, visit the RRC website at:

<http://www.rrc.texas.gov/oil-gas/oil-gas-workshops-and-seminars/>

## New Senator in District 6

New Mexico Governor Michelle Lujan Grisham has appointed longtime state house representative Roberto "Bobby" Gonzales to fill the vacancy in Senate district 6, left by the untimely death of Senator Carlos Cisneros.

“For more than 20 years, Bobby Gonzales has served many of the same constituents he will now represent as senator with intelligence and integrity,” Gov. Lujan Grisham said in a press release. “He had a close working relationship with Senator Cisneros, which is an important factor for the community in ensuring consistency and stability. In addition, Bobby and I have worked very effectively on a number of shared priorities. With his wealth of legislative experience and his commendable record of responsive and proactive public service, I know he will hit the ground running.”

The Taos County Commission will nominate an individual to fill Gonzales’ District 42 seat in the House of Representatives.



On December 19, 2019, the U.S. Chamber of Commerce's Global Energy Institute unveiled the results of a [study](#) that calculates the benefits of hydraulic fracturing for oil and natural gas for our nation.

The results show that America's shale revolution is essential to thousands of jobs and billions of dollars in economic growth. The report comes as Presidential candidates and activist groups have called for a ban on hydraulic fracturing, with several candidates promising a ban if elected.

The study is the next in the Global Energy Institute's Energy Accountability Series and examines "[What If...Hydraulic Fracturing Was Banned?](#)" It includes a national report and a series of state profiles that consider the economic benefits of hydraulic fracturing, the consequences of ending it, and the impact on the U.S. economy and seven specific states (Texas, New Mexico, Colorado, Ohio, Pennsylvania, Michigan and Wisconsin).



The report finds the United States is benefiting greatly from the shale energy revolution. If hydraulic fracturing is banned in America, the report finds:

- *More than 19 million jobs would be lost by 2025.*
- *\$3.7 trillion in American household income would be lost from 2021-2025.*
- *\$7.1 trillion to the U.S. economy would be lost and \$1.8 trillion less in tax revenue would be collected by the federal, state, and local governments over the same period.*

America today is cleaner and stronger due to increases in domestic oil and natural gas production made possible by hydraulic fracturing and advances in energy technology. That is in large part thanks to all the work that the members of the PBPA do on a daily basis.

Keep up the good work!

