

“The Texas Alliance of Energy Producers recognizes the best place to regulate oil field produced water is at the state level. Texas already has a vibrant recycling industry with strong state regulatory oversight. Texas also has more resources to permit, inspect, and ensure compliance than federal agencies. In the spirit of cooperative federalism we encourage a review and updating of federal NPDES permitting as well as delegation of that authority to the State”
- John Tintera, President TAEP

A CONSEQUENTIAL MOMENT FOR ENERGY POLICY IS AT HAND

BY EDWARD CROSS, PRESIDENT
KANSAS INDEPENDENT OIL & GAS ASSOCIATION



We stand at a critical juncture in the life of our nation and our state. We face what could be a very consequential election cycle. In addition, uncertainties in energy market dynamics create challenges for companies and citizens. Such developments have a profound impact on every American citizen.

Due to political agendas targeting oil and natural gas production, federal and state debate over taxes, regulatory issues, and energy policy often puts the oil and gas industry in the crosshairs. Also, small vocal groups of activists across Kansas and the nation continue to work to obstruct energy development under a false belief that oil and gas production and use are incompatible with environmental progress. Mischaracterizing oil and gas activity has been and continues to be a common practice and strategy for these groups.

Increasing taxes and regulations results in fewer jobs because businesses spend their resources on tax burdens and regulatory compliance instead of job creation. When tax expenditures and regulatory costs increase more than the real economy, the results are destructive to economic growth. Trump administration energy policies have given our economy a substantial boost by encouraging, rather than blocking, the development of America’s vast energy resources, and by stopping the propagation of unnecessary and endless regulations that burden businesses. As a result, the economy is in a sweet spot with steady growth and broad improvement in the labor market. Going forward, the Trump administration has proposed a number of revised regulations that favors President Trump’s energy dominance agenda over duplicative and punishing regulations.

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employees

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November
6th

FROM THE EXECUTIVE DIRECTOR JERRY SIMMONS

Hello DEPA members! I am very excited to be your new executive director. For those of you who may not know, I have been associated with DEPA as an Executive Committee Board member from just about the beginning of the organization. I have made many trips to DC and have attended most all of the in-person events over the past several years.

In my past role as executive director of the National Association of Royalty Owners (NARO), I believe it was about the first time royalty owners truly worked hand-in-hand with industry on a national level. We have accomplished a ton of things working together. Just a couple of them are: fighting off Obama administration attempts to remove all of our tax credits including IDC’s and %

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PARTISAN POLITICS IN DC

BY J.C. WATTS, WATTS PARTNERS, FOUNDER AND CHAIRMAN

The original intent of this piece was to reflect on the list of victories DEPA has achieved over the past few years. The list is long and important and there is very much work yet to do. However, given the recent drama in Washington over the confirmation of Brett Kavanaugh to the Supreme Court it is impossible not to reflect on its implications.

The Kavanaugh confirmation process will leave a permanent mark on American politics. No doubt the stakes were high. While appointed by a Republican President, Justice Kennedy was never viewed as reliable

among his more conservative peers. Rather he emerged over the years as a swing vote often siding with the liberal wing of the Court on questions of Constitutional powers of the federal government over the states and the privacy, property and gun ownership rights of individuals. While Justice Kavanaugh was not the most conservative potential nominee he certainly marks the consolidation of a conservative majority on the High Court. For America I believe this is a good thing.

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The oil and natural gas industry can be part of the solution to our nation's energy policy challenges. As a result of America's unique private property and free market system, our nation's energy landscape has dramatically improved; we've gone from scarcity to abundance. Entrepreneurs in the private sector and smart, state-led policies have created and will continue to drive American energy leadership. And no state is a better example of what good energy policy can mean than Kansas.

For decades Kansas has been at the forefront of all aspects of the American energy sector and continues to be a leader. The men and women of Kansas have long demonstrated that developing energy resources that promote economic growth need not come at the expense of the state's stunning beauty, delicate ecosystems, and other natural resources.

I think lawmakers and regulators in Washington could learn much from how Kansas' oil and natural gas industry, state regulators, and Kansans from every part of the state work together to create energy policies that encourage safe and responsible energy development, protect the environment, and provide economic growth.

The upcoming elections could be a very consequential moment for our future. In a political climate rife with hyperbolic rhetoric, unsubstantiated claims, and naïve pleas to keep it in the ground calling oil the "fuel of the past", the choices for the American people are becoming clear. To the American worker, oil seems very much a fuel of the present and of



A CONSEQUENTIAL MOMENT FOR ENERGY POLICY IS AT HAND CONT'D

BY EDWARD CROSS, PRESIDENT KANSAS INDEPENDENT OIL & GAS ASSOCIATION

the foreseeable future.

American energy policy is not a Republican issue or a Democrat issue. It is an American prosperity and leadership issue. The American people want, expect, and deserve elected leaders who will place what's best for our state and nation's economy and energy future above partisan ideology and political posturing.

I strongly believe that the American people need and want moral, intellectual, and strategic clarity and courage from our policymakers.

As we look ahead to November's elections and beyond, energy policy discussions should focus on facts and reality, not political ideology and hyperbole. At a time when energy and the economy are two of the most important issues facing everyday citi-

zens, Americans are beginning to realize that we need energy policies based on science, the free market, and entrepreneurial spirit. Those who act on our behalf at all levels of government would be wise to use those principles as the foundation for energy policy decisions. We must make it clear to our elected leaders that energy policy should not be a partisan talking point because it is too important and fundamental to our way of life.

Policymakers at all levels should pursue energy policies that drive economic growth, lower costs for consumers, protect the environment, increase American competitiveness, and use our considerable energy resources as a way to lift people up. Future generations are looking to us to get our nation's energy policy right.



November 2018 E-Newsletter

FROM THE EXECUTIVE DIRECTOR

JERRY SIMMONS

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These are just some of the DEPA accomplishments I can point to that have made me very proud to have been a small part of this unique organization. We are not like traditional oil and gas "trades". We want action and are willing to put our finances and out shoe leather on the line to achieve our mission. In 2015 DEPA made over 160 visits to congressional offices including about every Senate office to champion lifting the crude oil export ban. We did not rely on letters, emails, etc. we knocked on doors with our chairman Harold Hamm at everyone of those meetings adding to the urgency of our message.

We have very exciting and challenging times ahead of us. We want to grow DEPA to be the most recognized, active oil and gas alliance on issues of national and sometimes international importance. I look forward to working with each of you and ask for you to help us by identifying issues you believe we should work on and assisting the DEPA staff in recruiting new members and financial support.

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The Kavanaugh confirmation process will leave a permanent mark on American politics. No doubt the stakes were high. While appointed by a Republican President, Justice Kennedy was never viewed as reliable among his more conservative peers. Rather he emerged over the years as a swing vote often siding with the liberal wing of the Court on questions of Constitutional powers of the federal government over the states and the privacy, property and gun ownership rights of individuals. While Justice Kavanaugh was not the most conservative potential nominee he certainly marks the consolidation of a conservative majority on the High Court. For America I believe this is a good thing.

However imperfect American society, the Constitution itself remains the second most important document for human freedom and dignity in all of human history. Born out of violent revolution it does not impart from government certain freedoms and rights to men. Rather the American Constitution flows from the inalienable, God-given freedom and dignity of all men. The document carves out very limited and specific authorities for a federal government, leaving all else to the states. Even this severely limited delegation of freedom from men to government was not enough to ease the concerns of a people who had risked all in their gambit to throw off the yoke of authoritarian rule. The addition of a Bill of Rights was required to calm concerns about the awesome threat a central government poses to individual freedom. This lesson was fresh in the Founding Fathers' minds as they pieced together the social contract for a new nation.

The distrust of government - born from the bitter experience of revolution - ran deep. Our Founding Fathers

went even further, carefully constructing a set of checks and balances to limit the expansion of government beyond strict Constitutional limits, memorializing a natural tension between the Houses of Congress - one fully elected every two years to reflect the passions of the people and the other with a third of its members facing voters every two years. Neither Republicans or Democrats, nor the Legislative or Executive branch is immune to exploiting and expanding government in pursuit of power and so stands the Judiciary as the final wall of freedom.

And so the stakes for were high last week in the Kavanaugh confirmation. Adding to the irony of what unfolded in the Senate Judiciary Committee were the underlying principles of the debate. On the one side were accusations of sexual assault. Nothing is more sacred to basic human dignity than the inviolability of personal freedom and security. Few violations of these basic rights are more despicable than the type alleged. On the other side of the equation the first line of defense against tyranny is the presumption of innocence. Without this presumption, any unsubstantiated accusation by man, Republicans, Democrats or government can be used to snatch freedom from the innocent and from the voices of freedom. Pick up the paper on any day and read of religious and human rights leaders, journalists and government critics from Saudi Arabia to Russia to China to Iran are jailed, tortured and executed on unsubstantiated charges.

Without the presumption of innocence the mob rules. This principle is not granted to man in the Constitution. Rather it is embedded in the Due Process clause as an inalienable right protected against encroachment by the state, political parties or man. If the burden of proof is shifted from the accuser to the accused the rule



PARTISAN POLITICS IN DC CONT'D

BY J.C. WATTS, WATTS PARTNERS, FOUNDER AND CHAIRMAN

of law is lost.

The world watched as Senator Susan Collins took to the floor of the Senate as a voice of reason (believe it or not) amidst the chaos. She admonished her colleagues and the world that "certain fundamental legal principles about due process, the presumption of innocence and fairness do bear on my thinking and I cannot abandon them."

Yet the damage is done. Perhaps it is good the American people saw Washington, D.C. in all its glory just before a midterm election. Hopefully, it will serve as a reminder of the precarious nature of our freedom.

Much of DEPA's agenda is rolling back and modernizing rules and regulations written during a time of energy dependence and vertical drilling to reflect the reality of energy independence and the revolutionary technology of horizontal drilling. At the same time the abundance of oil and natural gas America now enjoys is the direct product of American entrepreneurial freedom and private property rights. These freedoms and rights have been under growing threat from the relentless, often lawless expansion of government. DEPA's efforts surrounding the restoration of the rule of law, transparent science in federal rulemaking, tax cuts and responsible regulation have begun to restore Constitutional balance.