



DEPA

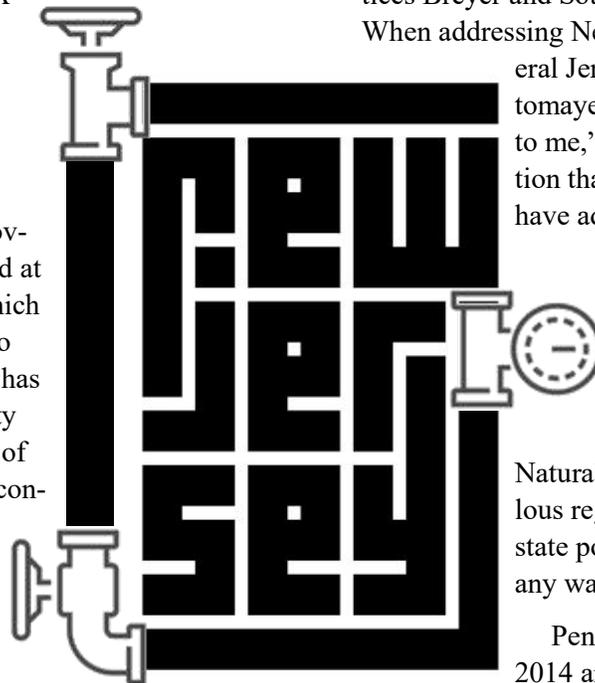
DRILLER

DEPA REPORT ON INDUSTRY, LEADERSHIP, LEGISLATION AND ENERGY REGULATION

A TUG OF WAR DECIDING THE FUTURE OF US PIPELINE DEVELOPMENT

Some resolution on the long-drawn-out PennEast Pipeline Company vs. New Jersey battle could be on the horizon. Supreme Court justices heard oral arguments April 28 by telephone conference call because of continued Covid-19 restrictions. A decision is expected in early summer.

If you haven't followed it, the core of this issue is eminent domain and the extent of private power companies have over the government. Specifically being looked at is the Natural Gas Act of 1938, which allows private energy companies to seize land for a project that FERC has approved. An easement across forty parcels of land owned by the state of New Jersey is needed to continue construction of the pipeline that is projected to carry one billion cubic feet of Marcellus gas out of Luzerne County, Pennsylvania, and into Mercer County in New Jersey; Enough natural gas to supply some 5 million homes. However, Garden State landowners on the pipeline's route have been opposed its construction. The state of New Jersey argues that the 11th Amendment gives the states sovereign immunity against lawsuits from private companies.



PLOT TWIST! The Biden administration backs PennEast in this case. It has been speculated that if the federal government joined the pipeline's lawsuit, perhaps it could quickly be resolved. It did seem that Justices Breyer and Sotomayer leaned toward PennEast. When addressing New Jersey Assistant Attorney General Jeremy M. Feigenbaum, Justice Sotomayer said, "History is very important to me," referencing Justice Breyer's position that New Jersey's argument might have adverse effects. A decision in favor of New Jersey would surely weaken the 80-year-old Natural Gas Act and jeopardize similar projects. Interestingly, Breyer wrote in a 2015 decision in a different case that said, "The Natural Gas Act, was drawn with meticulous regard for the continued exercise of state power, not to handicap or dilute it in any way."

PennEast first proposed this project in 2014 and the pushback was instant. In 2018, a US district court sided with the PennEast and approved its plan to move forward. New Jersey appealed. In 2019, the Third Circuit Court of Appeals vacated the lower court ruling citing that the federal government's ability to seize state land "is, in fact, the function of two separate powers: the govern-

ment's ability to regulate interstate commerce and the government's ability to regulate intrastate commerce."



JOHN G. ROBERTS
CHIEF JUSTICE



CLARENCE THOMAS



STEPHEN G. BREYER



SAMUEL ALITO, JR.



SONIA SOTOMAYOR

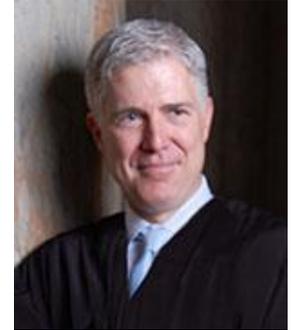
ment’s eminent domain power and its exemption from Eleventh Amendment immunity.”

Tony Cox, PennEast Chairman of the Board of Mangers said in a statement, “Congress passed the Natural Gas Act specifically to avoid state and local vetoes of interstate projects found by federal regulators to be in the public need and benefit. The misguided Third Circuit ruling in fall 2019 turned nearly 80 years of federal government interpretation and industry practice on their heads.” Justice Stephen Breyer pointed out the same thing that the Natural Gas Act was put into place for precisely this situation—states objecting to pipelines.

“If we lose this case, this pipeline will not be built, at least at anything like its current configuration, and depending on exactly how we lose this case, I think this pipeline, this federal interstate pipeline, will be at the mercy of New Jersey because I don’t think there is a way to reroute this pipeline in a way that doesn’t implicate a state interest in land,” Paul Clement, PennEast attorney told Justice Kavanaugh during oral arguments.



ELENA KAGAN



NEIL GORSUCH



BRETT M. KAVANAUGH



AMY CONEY BARRETT



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SARAH REECE
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DEPA believes in seeking common ground, through common sense solutions, to the challenges facing our industry. Our bipartisan approach provides a uniquely powerful voice for our members at the state and national level.

*Our work is critical.
Your support is vital.*



ITS BEEN A LONG WALK DOWN A CREEPY HALLWAY TO GET TO THE ONE YEAR ANNIVERSARY

The one-year anniversary of the day that now sits alongside October 29, 1929, in the financial history books has just passed. Thankfully we saw a rally above \$64 a barrel, but it was certainly a long walk down the unsettling hallway of 2020 to get back to profitable operations. While ghouls rattled media cages about canceling fossil fuels and demand dropped into a ditch, waiting for pandemic restriction to allow life outside our tiny personal bubbles, we waited to see how April 2021 would even look. Thankfully crude is up more than 30% in the first quarter of the new year as reopening economies have been greenlighted. People are getting back into real shoes and heading out for in-person meetings, which prompted OPEC to bring 2 million of the 8 million barrels a day back online that were cut in 2020.

But, policies by the Biden administration have put a difficult spin on industry recovery. According to EIA's February 2021 report, a return to 2019 US consumption could take years. The forward march away from an understanding of what fossil fuels do for daily life—and what GOES AWAY when they are no longer available is picking up the pace for woke reasons, not science. Battling to educate a large fraction of the American population as well as key leadership in DC about **the realities** of fossil fuel's environmental impact and benefits is an exhausting prospect. Still, one DEPA has taken on before and will approach with vigor again this time to continue to protect the domestic oil and gas industry, our country's energy independence, and national security.

Our action is laid out in the next two pages.

!IMPORTANT

DOMESTIC ENERGY PRODUCER'S ALLIANCE PUBLIC POLICY PRIORITIES

- **Prevent any form of carbon pricing scheme**
- **Prevent lender bias – defend and preserve fair and equal access to capital markets and financial services for the domestic energy industry**
- **Preserve business expensing and depreciation tax provisions critical to US domestic energy production**
- **Eliminate the renewable energy tax subsidy boondoggle**
- **Protect and grow American energy independence and dominance through promoting energy exports**

DEFEAT CARBON PRICING SCHEMES

Pricing and taxing carbon harms working families, undermines US energy and industrial independence, and costs jobs. Like so many other so-called progressive policies governments and big corporations reap the benefits while US workers and consumers are left to pay the bill in wages and lost jobs.

- Carbon pricing and taxation is designed to raise the cost gasoline, home heating oil, natural gas and coal to unaffordable levels, forcing businesses and consumers into less reliable and non-competitive renewable energy such as windmills, solar panels and batteries. Big business simply passes on the costs – leaving consumers to flip the bill.
- In the European Union (EU) for example the EU charges a minimum duty of \$1.61 per gallon on gasoline. A similar regime in the US would add nearly \$30 to an 18-gallon tank of gas. For a 34-gallon F150 pick-up that would be a \$55 dollar increase in the cost of a tank of gas for the working men and women of the US. Working

class Americans would see similar percentage price increases home heating oil and natural gas as well as electricity generated by fossil fuels.

- This tax on US manufacturing would hit particularly hard in the industrial mid-west. As noted by the Yale Climate Connection: “The burden might be unevenly distributed regionally, too, and workers in states with energy-intensive industries such as Ohio, Illinois, Michigan and West Virginia could be harder hit.” =
- Carbon pricing and taxation is extremely regressive – hitting the most economically vulnerable the hardest, while leaving the wealthy elite relatively untouched as a percentage of household income. According to the Congressional Research Service: “When the carbon tax is passed forward to consumers, lower-income households in particular would likely face a disproportionate impact (i.e., regressive outcome), because a larger percentage of their income is used to pay for energy needs, such as electricity, gasoline, or home heating oil.”

Prevent Lender Bias and ESG-based Financial Regulation

- Big Wall Street Banks and investment funds set to profit from the Green New Deal boondoggle are conspiring with European bureaucrats and Biden banking regulators to drive up the cost of and cut off access to capital and lending markets for domestic energy producers and domestic energy projects.
- Restricting access to capital for domestic energy production and energy projects by imposing arbitrary carbon pricing schemes under the guise of systemic risk regulation will kill domestic energy production and US energy independence and security, cost jobs and drive up the cost of energy for working class Americans.

Preserve Expensing and Depreciation for Domestic Energy

- Unlike the renewable energy tax credits and other subsidies for big corporations like Tesla and international oil companies included in the Green New Deal boondoggle the ability of domestic energy producers to deduct ordinary business expenses and depreciate assets is not a subsidy and supports high paying energy jobs now.
- Stripping US producers of the ability to deduct business expenses and depreciate assets while subsidizing unprofitable renewable energy schemes undermines US energy independence, kills jobs and increases US dependence on China.
- Forcing US consumers into electric vehicles means a near-complete reliance on China for basic private and commercial transportation. According to the Institute for Energy Research: “In 2019, Chinese chemical companies accounted for 80 percent of the world’s total output of raw materials for advanced batteries. China controls the processing of pretty much all the critical minerals—rare earth, lithium, cobalt, and graphite. Of the 136 lithium-ion battery plants in the pipeline to 2029, 101 are based in China.”

Eliminate Subsidies for Renewable Energy

- Thanks to generous tax breaks for wind and solar power, renewable energy producers are reaping huge profits. But the subsidies come at the expense of taxpayers, and they’re pushing conventional power plants into premature retirement, which is threatening the reliability of the electric system.
- Federal policies should not be choosing winners and losers but rather allow the free market to choose the reliable, affordable energy systems the American citizens desire.

Promote Exports of US Energy

- The greatest environmental success story of the last decade is the US energy renaissance, which has provided an endless supply of affordable, reliable US natural gas.
- According to the Intergovernmental panel on Climate Change, The Internal Energy Agency and The U.S. Energy Information Agency the United States leads the world in carbon emissions since 2005 due to the conversion from coal to natural gas.
- US environmental regulations and strict environmental safety standards among US producers, combined with clean US natural gas and sweet crude should be exported to other countries so they can follow the US lead in reducing carbon emissions.
- In addition to improving the environment, increasing US energy exports to allies around the world will decrease dependence by the US and its allies on the OPEC monopoly and Russia.



Dear DEPA Members,

The DEPA charge for 2021 is *persistence*.

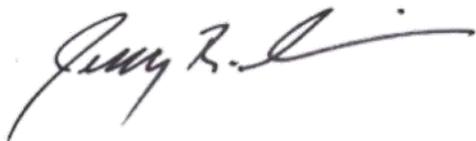
The objective is to amplify the message of our essential place in modern everyday life.

We do not write many PAC checks but do try to support those members of Congress or candidates that have/will support DEPA and our political agenda. As a result, our PAC account has become pretty low, so we are seeking your support to help replenish our funds.

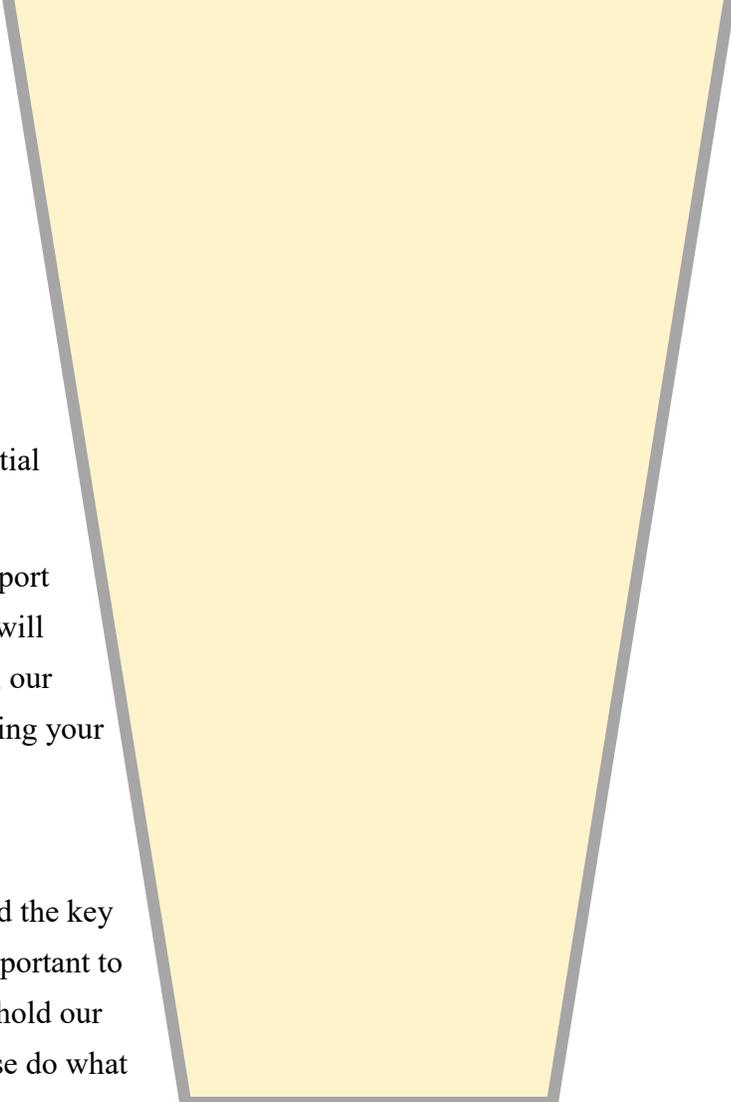
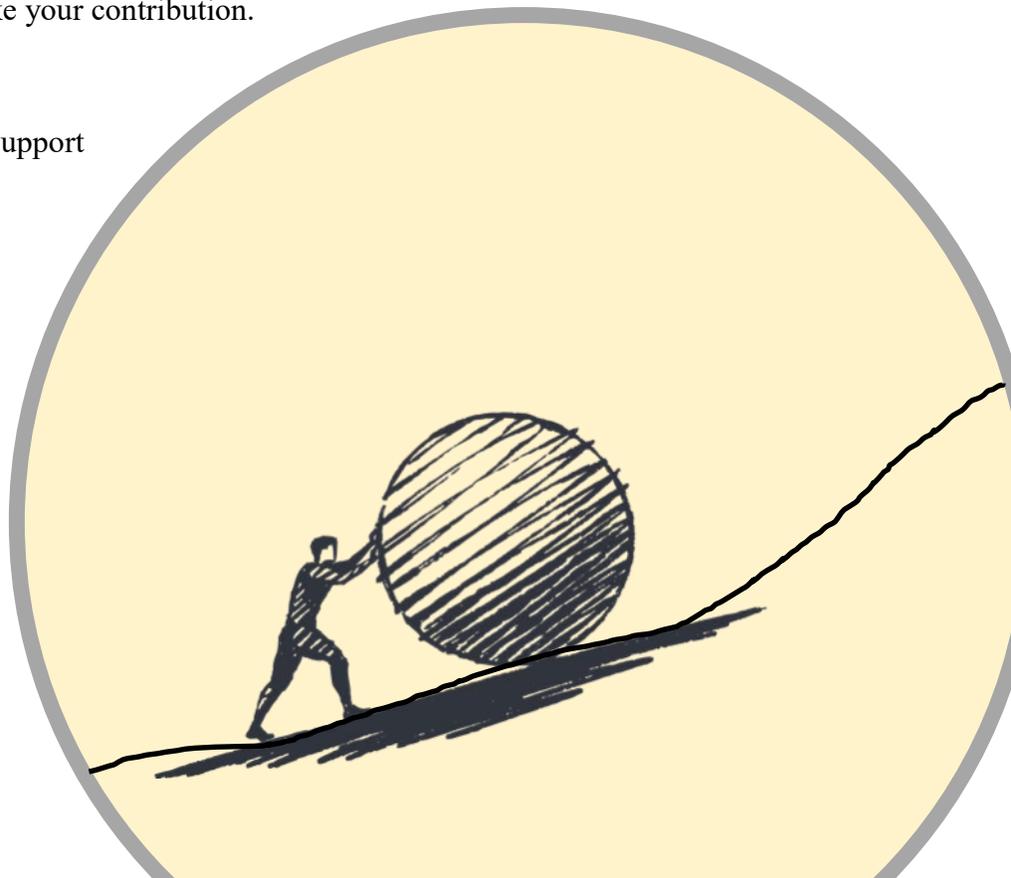
With the new administration's outlook on energy and the key leaders being nominated for the cabinet positions important to our industry, 2021 will be a year of uphill battles to hold our ground. It is vital for you to help us help you! Please do what you can to support our efforts by donating to our DEPA PAC.

PAC donation rules are very stringent. Please follow the instructions on the donation card to make your contribution.

Thank you for all you do, and for your support of DEPA, and our mission.



Jerry Simmons
DEPA Executive Director



DEPA PAC

POLITICAL ACTION COMMITTEE



What does your contribution to DEPA do?

We believe the only way to accomplish our sharply focused agenda is to establish common ground. We consistently seek common sense solutions to the challenges that face us in business, including our relationships with the legislative and executive branches of the Federal government.

DEPA gives a loud, clear voice to the majority of individuals, and companies responsible for the current North American energy renaissance. Find out more at WWW.DEPAUSA.ORG

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All contributions to the Domestic Energy Producers Alliance PAC (DEPA PAC) are voluntary. You may refuse to contribute without reprisal. Contributions to the DEPA PAC are used for federal election purposes, and may be used in connection with state elections.

Any contribution levels listed are merely suggestions. You are free to contribute more, or less, than the guidelines suggest or nothing at all, and you will not benefit or be disadvantaged by the amount of contribution, or a decision not to contribute.

Federal Law Requires us to use our best efforts to collect and report name, mailing address, occupation, and name of employer for each individual whose contributions aggregate in excess of \$200 in a calendar year.

Contributions are not deductible as charitable contributions for federal income tax purposes. Federal law prohibits contributions from corporations, national banks, labor unions, federal govt. contractors, or foreign nationals lacking permanent resident status.

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\$10,000 Chairman's Council (Joint Contribution)

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*Monthly credit card payments are processed on or about the 15th of each month.

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PAC contributions are not deductible for federal tax purposes. The maximum an individual may contribute to the PAC is \$5,000 per year. Couples may contribute \$10,000 from a joint account, but such contribution requires both signatures. Contributions from corporations, labor unions, federal govt contractors, national banks, and foreign nationals without permanent residency status and from any individual contributing another's funds are prohibited.

METHANE RULE CHANGE IS COUNTER PRODUCTIVE



The U.S. Senate voted on April 28 to approve a measure to rescind the Trump EPA rule that removed methane, an alleged green-house gas, from regulation as a pollutant. Democratic Senate Majority Leader Chuck Schumer called this move a "big deal" in fighting climate change. The Senate approved the measure in a 52-42 vote. Schumer, along with fellow Democrats Martin Heinrich and Ed Markey and Independent Angus King, introduced their resolution in the Senate under the Congressional Review Act (CRA), a 1996 law that allows Congress to reverse federal rules implemented in the last days of a past administration with a simple majority. Three Republican senators, Susan Collins, Lindsey Graham and Rob Portman, also voted for the measure.

This action essentially reinstates the 2012 and 2016 New Source Performance Standards for Oil and Natural Gas under Quad O and Quad 0a of the Clean Air Act. The Biden EPA had planned to introduce a new "methane rule" in September, but the use of the CRA to rescind the Trump rule significantly complicates this effort. The CRA requires that any new replacement regulation that would be passed cannot be

"substantially similar" to the one already repealed under the CRA without explicit Congressional approval. A new strictly "methane" rule would not pass that test.

The Trump Administration's amendments had not only followed the text of the Clean Air Act, but also significantly reduced regulatory burden to the industry and streamlined other requirements. Under the Trump rule, protection of human health and the environment would have continued through controls for smog-forming volatile organic compounds for the production and processing segments of the industry, reducing methane at the same time. The CRA action on this rule represents another of the Biden administration's measures to eliminate fossil fuels under the Green New Deal.

DEPA believes abundant, reliable, affordable, domestic energy is key to revitalizing the US economy and reshoring US businesses after the COVID crises. We are happy to work with the administration and Congress on real world solutions to providing Americans the energy they need, while being protective of human health and the environment.

NEW DEPUTY SECRETARY OF ENERGY SWORN IN

David M. Turk was sworn in the last week of March as Deputy Secretary of Energy by Secretary Granholm, following a bipartisan vote of 98-2 in the United States Senate.

Prior to his nomination as Deputy Secretary, Turk was the Deputy Executive Director of the International Energy Agency, where he focused on helping countries around the world tackle their clean energy transitions. He also directed reports on the digitalization of energy systems, the future of clean hydrogen, and a project tracking progress on a wide range of clean energy technologies.

During the Obama-Biden Administration, Turk served as Deputy Assistant Secretary for International Climate and Technology at DOE, coordinating international technology and clean energy efforts. During this time, he helped spearhead the launch of Mission Innovation—a global effort to enhance clean energy innovation.

Turk also served as Special Assistant to the President and Senior Director at the U.S. National Security Council, where he coordinated interagency legislative affairs efforts among the national security agencies and provided legislative advice to National Security Council decision-making. He also previously worked at the U.S. Department of State, including as Deputy Special Envoy for Climate Change and helping to coordinate New Start Treaty ratification efforts in the U.S. Senate.

Earlier in his career, Turk worked in both the U.S. Senate, primarily on national security issues, and as the Staff Director of the National Security Subcommittee of the House Oversight Committee.

Turk was born in Quito, Ecuador and raised in Rock Falls, Illinois. He is a graduate of both the University of Illinois at Urbana-Champaign and the University of Virginia Law School. He and his wife, Emily Turk, have three children.



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- Sponsoring successful legislation benefiting operators and landowners
- Monitoring and addressing legislative and regulatory issues
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MEMBER SPOTLIGHT

AVERY SMITH



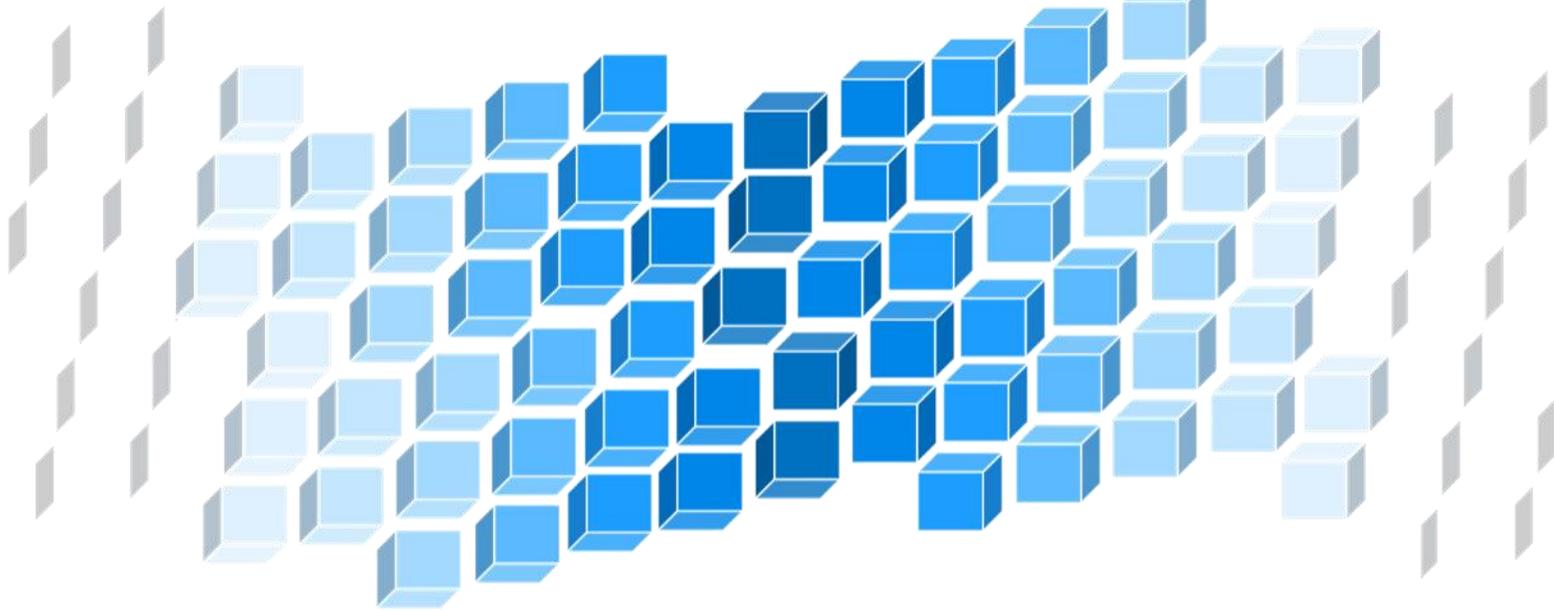
Avery Smith, a native of Ada, Oklahoma and current resident of Edmond, Oklahoma, offers a diverse professional background spanning multiple industries. Mr. Smith currently serves as Chief Operating Officer for Seal Tite Lining out of Independence, Kansas.

His career in the oil and natural gas industry began in an executive leadership and fundraising role with the state of Oklahoma's leading oil and natural gas trade association, The Petroleum Alliance of Oklahoma (formerly known as the Oklahoma Independent Petroleum Association or OIPA), where he served for nearly 10 years.

After successfully raising millions of dollars in support of the legislative and regulatory interests of Oklahoma's independent oil and natural gas producers, Avery made a transition to the oilfield services side of the industry. This transition provided Mr. Smith with the opportunity to serve in various executive leadership

and operations roles including environmental compliance, production chemicals, produced water treatment, and well stimulation technology. In addition, Mr. Smith gained extensive experience on the consultant side of the industry with responsibilities that included identifying, vetting, on-boarding, and maintaining relationships with oilfield consultants of all specialties, while ensuring compliance within IRS and other regulatory guidelines.

Prior to entering the oil and gas industry, Avery served as Executive Vice-President of Sales and Marketing for America's Incredible Pizza Company, a nationwide chain of large footprint, indoor family entertainment centers. In addition to working in the energy and family entertainment industries, Mr. Smith worked in the healthcare and commercial insurance sectors.



Save the Date **Member Webinar**

May 18, 2021 11:00 pm CDT

Registration is open
www.depausa.org/events

Find out what DEPA Chairman Harold Hamm has to say about the current state of domestic energy.

We will have a discussion about ESG with Pavel Molchanov, Director and Equity Research Analyst with Raymond James and Associates.

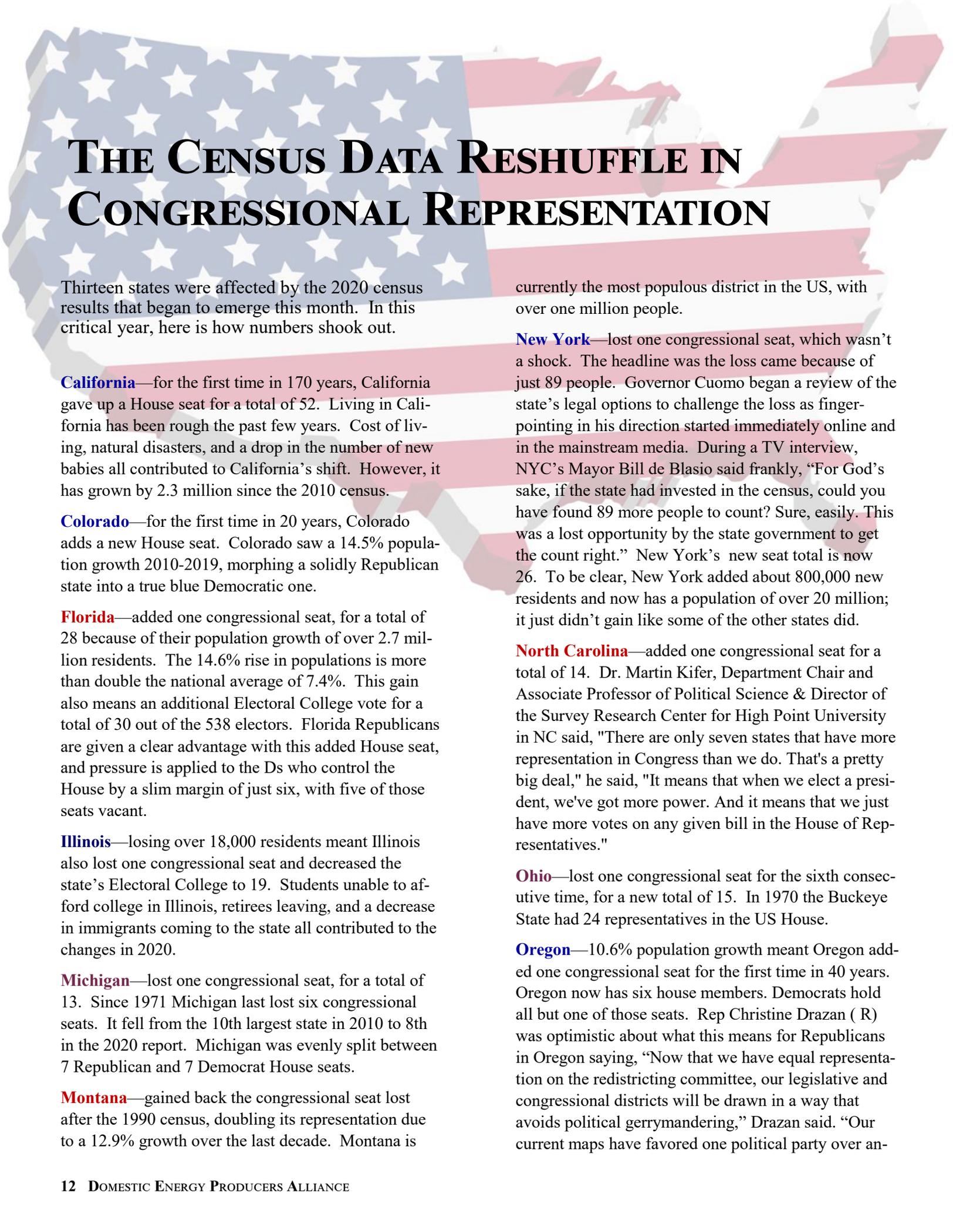
David de Roode will discuss the new Energy ESG Council

Sean Flynn will be talking about the newly launched Onshore Safety Alliance (OSA).

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THE CENSUS DATA RESHUFFLE IN CONGRESSIONAL REPRESENTATION

Thirteen states were affected by the 2020 census results that began to emerge this month. In this critical year, here is how numbers shook out.

California—for the first time in 170 years, California gave up a House seat for a total of 52. Living in California has been rough the past few years. Cost of living, natural disasters, and a drop in the number of new babies all contributed to California's shift. However, it has grown by 2.3 million since the 2010 census.

Colorado—for the first time in 20 years, Colorado adds a new House seat. Colorado saw a 14.5% population growth 2010-2019, morphing a solidly Republican state into a true blue Democratic one.

Florida—added one congressional seat, for a total of 28 because of their population growth of over 2.7 million residents. The 14.6% rise in populations is more than double the national average of 7.4%. This gain also means an additional Electoral College vote for a total of 30 out of the 538 electors. Florida Republicans are given a clear advantage with this added House seat, and pressure is applied to the Ds who control the House by a slim margin of just six, with five of those seats vacant.

Illinois—losing over 18,000 residents meant Illinois also lost one congressional seat and decreased the state's Electoral College to 19. Students unable to afford college in Illinois, retirees leaving, and a decrease in immigrants coming to the state all contributed to the changes in 2020.

Michigan—lost one congressional seat, for a total of 13. Since 1971 Michigan last lost six congressional seats. It fell from the 10th largest state in 2010 to 8th in the 2020 report. Michigan was evenly split between 7 Republican and 7 Democrat House seats.

Montana—gained back the congressional seat lost after the 1990 census, doubling its representation due to a 12.9% growth over the last decade. Montana is

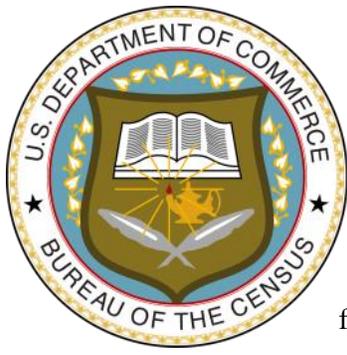
currently the most populous district in the US, with over one million people.

New York—lost one congressional seat, which wasn't a shock. The headline was the loss came because of just 89 people. Governor Cuomo began a review of the state's legal options to challenge the loss as finger-pointing in his direction started immediately online and in the mainstream media. During a TV interview, NYC's Mayor Bill de Blasio said frankly, "For God's sake, if the state had invested in the census, could you have found 89 more people to count? Sure, easily. This was a lost opportunity by the state government to get the count right." New York's new seat total is now 26. To be clear, New York added about 800,000 new residents and now has a population of over 20 million; it just didn't gain like some of the other states did.

North Carolina—added one congressional seat for a total of 14. Dr. Martin Kifer, Department Chair and Associate Professor of Political Science & Director of the Survey Research Center for High Point University in NC said, "There are only seven states that have more representation in Congress than we do. That's a pretty big deal," he said, "It means that when we elect a president, we've got more power. And it means that we just have more votes on any given bill in the House of Representatives."

Ohio—lost one congressional seat for the sixth consecutive time, for a new total of 15. In 1970 the Buckeye State had 24 representatives in the US House.

Oregon—10.6% population growth meant Oregon added one congressional seat for the first time in 40 years. Oregon now has six house members. Democrats hold all but one of those seats. Rep Christine Drazan (R) was optimistic about what this means for Republicans in Oregon saying, "Now that we have equal representation on the redistricting committee, our legislative and congressional districts will be drawn in a way that avoids political gerrymandering," Drazan said. "Our current maps have favored one political party over an-



other for the past 20 years, but Oregonians can be confident that this sixth congressional district will be drawn according to the rules to give people fair representation.”

Pennsylvania—added two congressional seats, for a total of 17. Despite growing to over 13 million residents and moving up one spot to be the fifth-largest state in the US. Always a battleground state, what does this mean for PA’s position in the next presidential election? Senior fellow in residence for political affairs at Millersville University Terry Madonna told local media, "Pennsylvania will remain a battleground state, so it's not going to change the competitiveness because we lose one electoral vote, to be sure,"

Texas—added two congressional seats, for a total of 40, thanks to an additional 4 million residents. Many demographers predicted Texas would add three seats when the numbers were finally all in. Texas can boast adding the most residents of any US state over the last decade. The census report showed the population boom is primarily

due to an influx of people of color into the state in urban and suburban communities. Currently, the Texas delegation is comprised of 22 Republicans and 13 Democrats, with one vacant seat after Republican Ron Wright’s death on February 7, 2021.

West Virginia—loses one of its three Republican-held congressional seats as WV is reported to have lost 3.2% of its population. It was the largest decline of any state. The declining coal industry is a problem for WV. At the end of March, the West Virginia House of Delegates has passed a bill that would eliminate the state income tax to assist residents involved in the coal industry. Gov. Jim Justice said his goal with the bill was to attract more residents.

Overall the census reported a US population growth of 331.5 million residents, a 7.1% increase since the 2010 census. However, that is the slowest growth rate in nearly a century. Overall the census also showed a shift of population toward Southern and Western states. That has been the trend since 1940 84 seats have shifted to the South and Western states.



FLORIDA INDEPENDENT PETROLEUM PRODUCERS ASSOCIATION, INC

Annual Meeting | September 15-18, 2021 | Pensacola

LOCATION: EDEN CONDOMINIUMS ON PERDIDO KEY

REGISTRATION: A sustaining membership, of \$3,000 from 2020, includes two double-room suites for the three days, and free meeting registration.

—**Non-member Registration:** \$300 per person.

AGENDA:

WED., SEPTEMBER 15—Arrival and check-in. Informal evening outside reception.

THURS., SEPTEMBER 16—Morning and afternoon round table educational seminars. Working buffet lunch. Meetings conclude at 2:00pm. Group patio dinner with guest speaker, Senator Doug Broxson.

FRI., SEPTEMBER 17—Morning program on state and local issues. FDEP staff presentation. Peter Schweizer’s update on the national election scene. Each attendee will receive a copy of Mr. Schweizer’s book.

SAT., SEPTEMBER 18—Morning golf available at the Pensacola Country club. Fishing with guided inshore boards, or a larger group offshore experience if there is interest.

FOR MORE INFORMATION CONTACT:

TOM HERBERT 850-443-4262 OR MARIE McLELLAN 850-434-6830

A CHAT WITH...

RELEASING IN MAY



**JUDY STARK, PRESIDENT OF THE
PANHANDLE PRODUCERS & ROYALTY OWNERS ASSOCIATION**

PETE OBERMUELLER, PRESIDENT, THE PETROLEUM ASSOCIATION OF WYOMING

JASON MODGLIN, PRESIDENT, TEXAS ALLIANCE OF ENERGY PRODUCERS

DARLENE WALLACE, PRESIDENT, COLUMBUS OIL COMPANY

KATHLEEN SGAMMA, PRESIDENT, WESTERN ENERGY ALLIANCE



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OUT AND ABOUT



L to R: Jerry Simmons, DEPA CEO, Congressman Steve Scalise, DEPA Congressional Liaison Pete Regan, and SVP of Government Affairs for Continental Resources Blu Hulsey

The DEPA Team met with minority whip Congressman Steve Scalise during his Oklahoma tour with the House Energy Action Team (HEAT).

Congressman Scalise represents the first district of Louisiana. Along with 25 other members of HEAT, Scalise released a strong message in late April to President Biden for pledging to shackle the US to a new sweeping and Paris Agreement commitment.

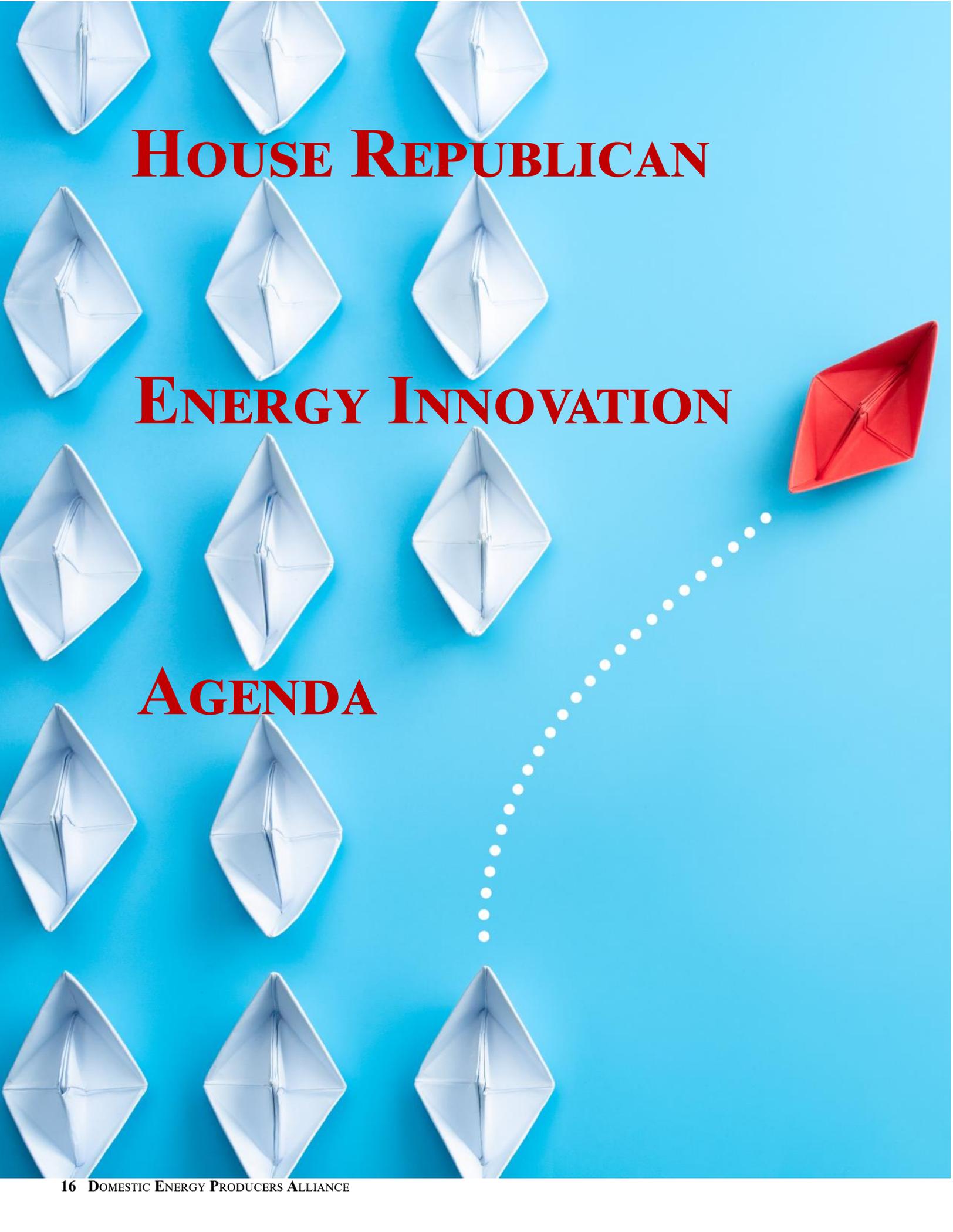
“President Biden already vowed to reverse American energy dominance by rejoining the Paris Agreement on Day One of his Administration. Today’s announcement shows how this unrealistic promise will only crush

American families and workers and increase global emissions by shipping energy production and manufacturing to countries like China and India. President Biden’s heavy-handed, government mandate-filled climate agenda would eliminate millions of American jobs, including many of the energy jobs that fuel Louisiana’s economy. Tying America’s hands to a larger and equally flawed Paris Agreement guarantees that the world will get its energy from countries like China, Russia, and Iran, which will increase carbon emissions while destroying the American economy. Meanwhile, China gets a free pass under Paris, and many countries, including even France, have fallen short of the promises they’ve made. I urge President Biden to return to an America First energy strategy that focuses on an all-of-the-above energy approach that will create American jobs and lower household energy costs for American families.”



2021 REGULATORY MEETING CALENDAR

JUNE 17, SEPTEMBER 16, DECEMBER 16
2:00PM CENTRAL VIA VIDEO CONFERENCE

The image features a light blue background with a grid of white paper boats. The boats are arranged in a 5x3 grid, with the bottom-right position empty. A single red paper boat is positioned to the right of the grid, connected to the bottom-right corner of the white grid by a dotted white line. The text is centered over the grid.

HOUSE REPUBLICAN

ENERGY INNOVATION

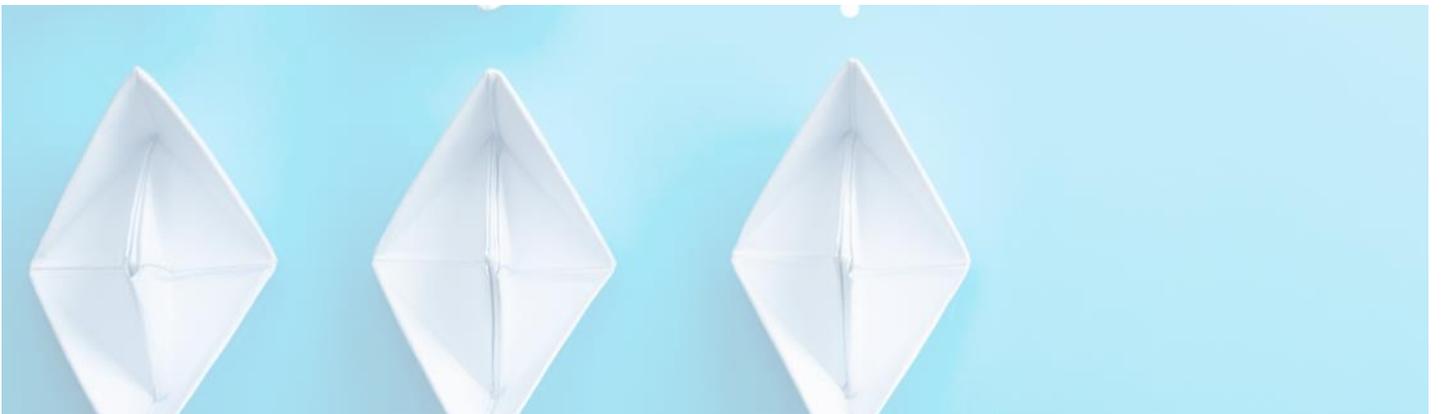
AGENDA

Mid April The House Republicans' held a three day virtual forum called The Energy Innovation Agenda. The purpose was to highlight dozens of bills and solutions being offered to deliver a cleaner, safer, and healthier environment while also growing the US economy.

Video of the presentations are available on Kevin McCarthy's website WWW.REPUBLICANLEADER.HOUSE.GOV



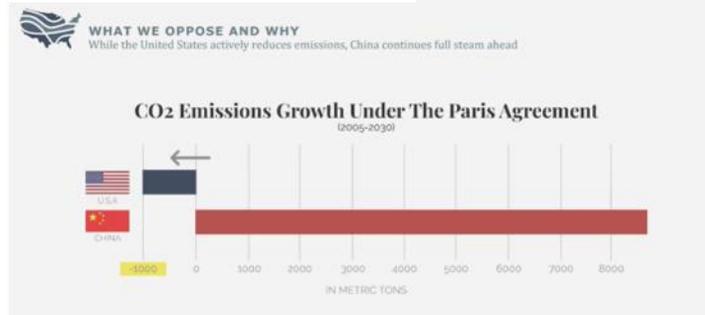
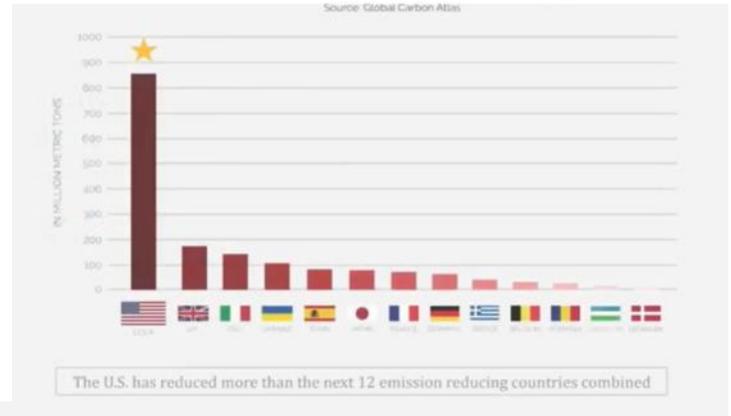
- Select Committee on Climate Ranking Member Garret Graves: What We Believe and Why
- A Clear Path: How We Can Make the Energy Sector Cleaner & More Affordable
- Rep. Gary Palmer: The Cost of a Carbon Tax
- Rep. John Curtis: Conservatives on Conservation with the American Conservation Coalition
- Rep. Garret Graves and House Foreign Affairs Committee Lead Republican Michael McCaul on the Paris Agreement
- Rep. Carol Miller: Invest in America, Power the World
- Committee on Science, Space, & Technology Ranking Member Frank Lucas on Securing American Leadership in Science and Technology Act
- Reps. Lucas and Stephanie Bice visit Oklahoma State University's Baker Hughes Discovery Facility
- Rep. Randy Weber: Nuclear Energy Must be at the Forefront of Any Climate Plan
- Rep. McKinley and a Local Miner Discuss Importance of Carbon Capture



SOME OF THE MEETING TAKE AWAY:

From Representative Garret Graves (LA):

- “What we have to focus on with our clean energy strategies is looking at the entire globe—because this isn’t a problem the United States can solve itself.”
- “Under the Paris Accords global emissions actually increase. They’re not reduced. For every one ton of reduction in the United States, China increases by four.”
- Global demand for natural gas is expected to increase by 40% by 2050
- US Producers should meet global demand—not competitors from other countries who don’t produce the same efficient, environmentally sensitive—clean energy that we produce.



- Policies that make US fossil fuels less competitive result in higher global emissions.

From Representative Gary Palmer (AL):

“A carbon tax would drastically increase the cost of anything that uses, or was produced using, fossil fuel energy. Since fossil fuels made up 80% of all energy consumed in the U.S. in 2019, a carbon tax would lead to rising prices for everything from electricity, to food, to medical care. To make matters worse, the Congressional Budget Office found that the impacts of these higher costs would fall mostly on the poor: ‘The higher prices resulting from a carbon tax would tend to be regressive—that is, they would impose a larger burden (relative to income) on low-income households than on high-income households.’

“The fact is that American innovation and technology, embraced by the free market, has allowed for the U.S. to lead the world in emissions reductions, and we can export these innovations and technologies around the world. We can further accelerate the deployment of these technologies by streamlining the current permitting process that delays newer and cleaner construction by 7 to 8 years. We can let facts, not fear, drive the process of developing safe next-generation nuclear plants that provide carbon-emission free energy. Finally, we can be realistic about the global landscape. Developing countries are not going to jump from burning wood, dung, and coal (if they’re lucky), to solar panels and wind turbines. But there is a chance that they can transition to reliable and affordable U.S. natural gas, while modernizing, if we continue building the infrastructure needed to export liquefied natural gas. Unlike a carbon tax, these policies will lead to economic growth for all and a cleaner environment.”

THE CASE FOR CLIMATE ACTION

BUILDING A CLEAN ECONOMY
FOR THE AMERICAN PEOPLE

AUGUST 25, 2020

DEMOCRATS.SENATE.GOV/CLIMATE



Representative Garret Graves points out in his “America’s Path to Clean Energy is the Way Forward” presentation that the Senate Democrats, in their climate change report, acknowledge their plan is going to result in increased overall production costs for energy American citizens need for fueling their cars and heating and cooling their homes. They also include that American jobs will be lost to foreign countries if US companies shift production outside the US where carbon emissions are less strict—all resulting in an increase in global emissions.

“When you’re leading the world is it really time to make a 180? Or do you double and triple down on those very strategies that allowed you to be the most successful on the planet?”

-Rep. Garret Graves

Policies to decarbonize should protect U.S. workers, companies, and communities

Protecting American factories and workers in trade policies

Many industrial products are energy-intensive and trade-exposed. As we institute domestic decarbonization policies that increase overall production costs, we need to address this reality by adopting accompanying policies to retain competitiveness. If we do not account for the emissions of imported goods, we could see U.S. companies shift their production to countries that are less strict on carbon emissions—a process referred to as “carbon leakage.”¹⁵¹ This will not only lead to an increase in total global emissions, but also the outsourcing of American jobs. Protecting the American worker and American competitiveness in international markets is a vital component of any industrial emission reduction policy.

The United States must also strive to keep our goods competitive for export. Other countries are already considering low-emissions trade policies. The EU is pursuing a “carbon border adjustment mechanism” to protect EU companies from cheaper, high-carbon imports,¹⁵² a step that is already worrying some trade partners.¹⁵³ U.S. products could increasingly be disadvantaged in the global market if they don’t meet international emissions standards. We must get ahead of this movement and develop our own federal standards and carbon tracking mechanisms for emissions reductions. Other countries have shown a greater commitment to investing in





The Numbers Joe Biden Doesn't Want You to Hear about a Fracking Ban

From Representative Jeff Duncan (SC):

- On average, it would increase household energy costs by \$618 per year.
- A moratorium on fracking would mean a \$900 billion dollar increase in US household energy cost
- \$1.7 trillion in potential losses to the US economy through 2030
- 7 million fewer US jobs by 2022

“If President Biden wants to back up his ‘Buy America’ rhetoric, let’s start with buying American Energy and protecting American jobs and industry.”

- Rep. Jeff Duncan

Let’s Ensure Our Natural Gas Pipelines are Prepared

From Dr. Michael Burgess (TX):

As an arctic blast spread across the central region of the U.S. this February and left thousands without power or water and enduring below-freezing temperatures, Dr. Burgess called for an honest conversation about the future of energy in America. We have to find the best policies to avoid the suffering caused by this recent winter storm and extreme weather events in the future.

To ensure our energy efforts have the latest technologies, Dr. Burgess introduced the Promoting Interagency Coordination for Review of Natural Gas Pipelines Act to streamline the permitting process. This legislation would centralize the permitting process through the Federal Energy Regulatory Commission (FERC), among other things, to develop best practices concerning pipeline infrastructure.

American Energy Produces Global Stabilization

From Representative Markwayne Mullin (OK):

“When the Biden Administration guts American energy production, we export less oil and natural gas. This forces our trading partners to rely on unfriendly nations, like Russia and Iran, for their energy and puts global stability at risk. For example, in 2009 Russia single-handedly created an energy crisis by cutting off gas flow to Ukraine following a supply contract dispute.

President Biden and Congressional Democrats are aiming to eliminate fossil fuels entirely. Without American energy on the global market, we are creating a monopoly for hostile nations and the world is at their mercy when it comes to energy.”

**WATCH THE PRESENTATIONS AND FIND OUT MORE AT
WWW.REPUBLICANLEADER.HOUSE.GOV**



WHEN SOMEONE SHOWS YOU WHO THEY ARE, BELIEVE THEM.

- Poet Maya Angelou



Candidates Joe Biden and Kamala Harris were clear on the campaign trail about fossil fuels' future if they occupied the White House. While numerous speeches and videos that can be cited, the most concise is the now-famous reply to a woman at a rally in New Castle, New Hampshire, in 2019.

“Kiddo, I want you to just take a look. I want you to look into my eyes,” Biden began.

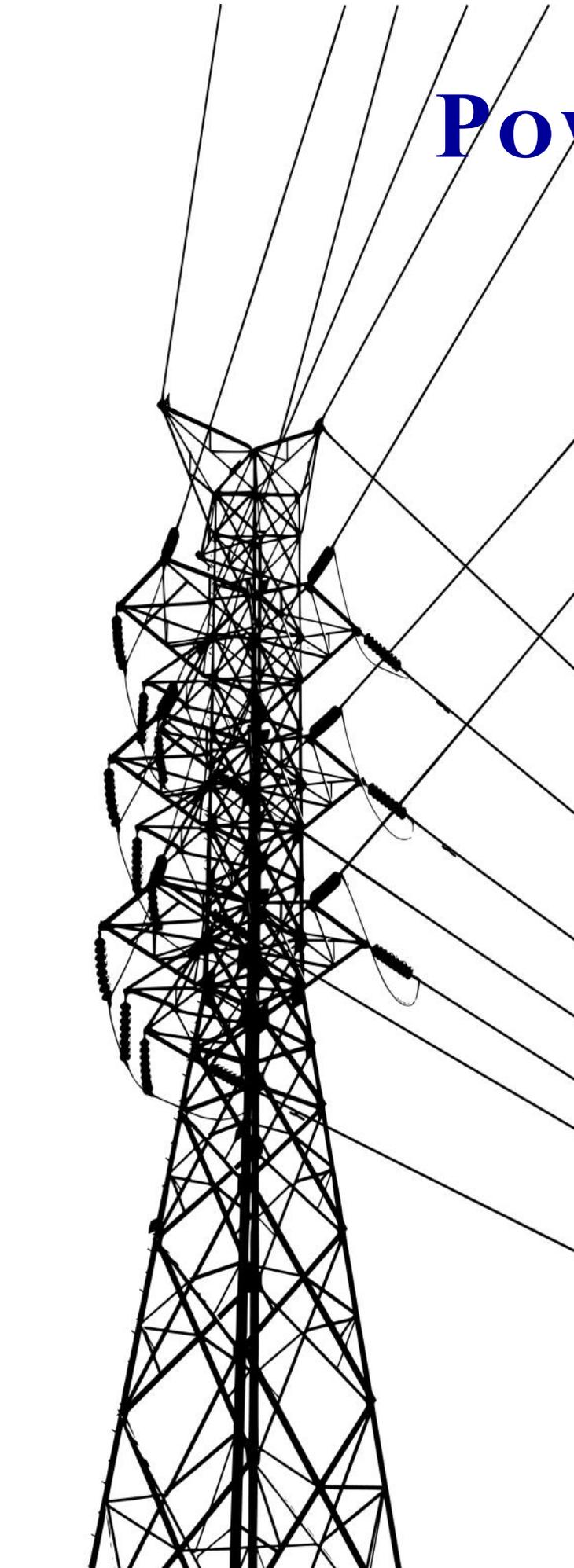
“I guarantee you, I guarantee you, we are going to end fossil fuel, and I am not going to cooperate with them...”

Oddly, by mid-January 2021, some of the strong domestic energy industry voices seemed to toss up a white flag. They welcomed the Biden administration while he initiated policy suspending oil and natural gas permits and announcing there would be no new leases on federal lands.

DEPA leadership promises to be an organization of action.

- A thorough educator of the uninformed.
- A strong defender of energy reliability.
- A loud advocate for the benefits of fossil fuels
- A passionate champion for communities where low-cost energy is vital.
- An aggressive watchdog to protect energy independence.
- A compassionate preserver of the oil and gas industry jobs that support thousands of workers across the US.
- A dedicated preserver of the revenue that supports schools, community infrastructure, and essential programs.
- A steadfast proponent of commonsense methods of continuing to lower emissions and protect our environment.





POWERING TEXAS

This month when Electric Reliability Council of Texas (ERCOT) projections for wind speeds and clear sunny days missed the mark, Texas was again at risk of power outages. Less than three months after millions of Texas residents went days, or even weeks, without power another warning was issued by the grid operator.

"We may see tight grid conditions due to the large number of generators out of service for planned and forced maintenance combined with low wind and solar output forecasted for today," said ERCOT Vice President of Grid Planning and Operations Woody Rickerson. "Additionally, we're seeing some risk in the Rio Grande Valley due to the forced outage of a generating unit in the area."

The ERCOT press release went on to explain, "Tight conditions are not always a direct result of high demand on the electric system. During the spring and fall seasons, electric demand (load) may be relatively low, but there are typically a large number of generators that are out of service for scheduled maintenance. As a result, there is less overall generation capacity available to serve electricity demand.

Additionally, the weather tends to fluctuate more during the spring and fall, resulting in a significant amount of variability on the electric system due to changing demand and renewable output."

With grid issues unresolved many Texans are angry, and others are taking things into their own hands. The current demand for generators has been described as "insatiable".

"We've probably got 50-60 people on the list right now waiting for generators," said Robert Martin at Plano Power Equipment.

"What we're experiencing is unprecedented. To put into perspective, we would get maybe 20-30 calls a week, now we're getting HUNDREDS of calls a week," said Ashton Tennant, President of A&A GenPro.

Generators obviously aren't the answer. To address the deficiency in the current system, Berkshire Hathaway and Starwood Energy have both proposed plans. Both plans include, that's right, building new fossil fuel-fired power. One thing is guaranteed, demand is only going to grow. Technology needs to be powered. We love our gadgets and keeping them juiced. The push to electrify everything only concentrates our energy risk and puts our energy security in danger.

Williston Basin Petroleum Conference

May 11-13

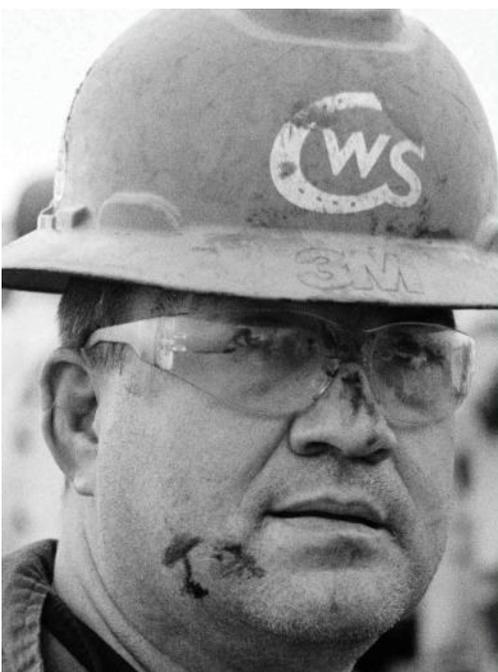
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- \$2,500: Colleague
- \$1,000: Advocate
- \$500: Friend of the Industry
- \$100: DEPA Supporter

"I'm not convinced there is a better industry that supplies as many jobs, and as many products worldwide...when you're looking at the bottom of your shoes, on a bicycle seat, on the grips, on a steering wheel... if you sit inside an airplane and look around, everything that is in the airplane is made from fossil fuels. And I just can't imagine that anywhere in someone's mind that they believe that they could literally replace all of those products and kill an industry, over a myth."

-Judy Stark, Pres. Panhandle Producers and Royalty Owners Assoc, on the fight to protect the oil and gas industry from misinformation

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