



IOPA TRI-STATE NEWSLETTER

What Should IOPA Be About?

At our last meeting, I asked some questions, inquiring after input from the membership, about what the mission and purview of IOPA should be.

We are fortunate that our area is not set up politically like Michigan where civil township governments add another layer of active oversight, but here if smaller units like counties and municipalities were to act in meaningful opposition to independent oil producers we would need to engage with them also. What we are about, what we have always been about, are independent oil producers.

IOPA Tri-State Inc., which was originally formed as "Independent Oil Producers and Land Owners Association" was formed in 1944 for the purpose of advocating Import Quotas on behalf of the small independent oil producer in the Illinois Basin at a time when the State Associations were largely run by major oil companies. The name was changed to the current name and reincorporated after it was determined that the land owners and independent producers had little in common.



In order to maintain and enhance our focus on the needs of independent oil producers, we are polling the membership about the direction we should take. Your input is highly desired and will be incorporated into our strategic thinking.

State and Local Entities

1. Should IOPA restrict its efforts to the Federal level or continue to act at any government level that poses challenges for independent oil producers?
2. Should IOPA get involved in changes in State Regulations as with the recent rewriting of the Rules in Indiana?
3. Are you familiar with the Revised Rules and Regulations in Indiana? If so, what has been the effect on your operations, if any?
4. Are you familiar with the increased enforcement in Illinois? If so, how has it affected your operations in that state?

(Continued on page 3)

Inside this issue:

IOPA Picnic Details	2
IPAA Efforts	2
Upcoming Events	3
About IOPA	4
Notes from the Editor	4

Visit iopatristate.org

Now is the time to sign up to be an IOPA Picnic Sponsor. If you have not received a Sponsor solicitation letter, contact us and we will get you signed up.



Special points of interest:

- IOPA Picnic
- Oil Prices
- Methane Rules

The main focus of our efforts has been, for many years, upon two branches of the Federal Government, the Legislative Branch continuously and the Executive Branch as conditions warranted. We have actively worked on this in conjunction with the IPAA in Washington, D.C. We have also, in deference to the efforts of the state associations, acted at the state level when our board and membership saw a need for intervention on behalf of Illinois Basin oil producers. For instance, we were the primary organization in obtaining UIC primacy in Indiana and worked in conjunction with the Illinois Oil and Gas Association in obtaining primacy in that state.

IPAA Efforts

Appeals Court Acts on Two Public Lands Lawsuits Important to IPAA

The United States Court of Appeals for the Tenth Circuit in Denver took action the week of June 7, on two cases important to IPAA and its members. The Court's actions bring further closure to IPAA's efforts to fight misguided attempts by the Obama administration to burden independent producers operating on federal lands with additional regulatory hurdles. It has been 1,172 days since IPAA and the Western Energy Alliance filed the original lawsuit challenging the Obama administration's March 2015 hydraulic fracturing regulations. On Monday, June 4th, the Tenth Circuit Court denied the last procedural motions that remained pending in IPAA's original lawsuit, resulting in the dismissal of all remaining aspects of the lawsuit and closing a significant chapter in IPAA's successful efforts to prevent the redundant and expensive regulations from ever becoming effective. Since 2015 -- using the Obama administration's own calculations -- IPAA's litigation efforts have resulted in costs savings to industry approaching \$100 million (at least \$11,500 for every well completed on federal lands since March 2015). Environmental organizations have filed a separate lawsuit challenging the Trump administration's rescission of the Obama-era rule and the

fight will continue, but we are pleased our initial efforts have been so successful and will continue our advocacy for the industry.

The Tenth Circuit Court also acted June 4th on two motions before the court pertaining to the Bureau of Land Management's (BLM) Waste Prevention Rule, commonly referred to as the Venting and Flaring Rule. The court denied the Western Energy Alliance/IPAA motion to dismiss the environmentalists' appeal. The court also denied the environmental groups' and California/New Mexico's motion to stay U.S. District Court of Wyoming Judge Scott Skavdahl's order pending appeal. The bottom line is that the actions this week were in industry's favor in that portions of the Venting and Flaring Rule are still stayed by Judge Skavdahl's order. However, the case will proceed to briefing on the merits. BLM is scheduled to issue a final rule on venting and flaring later this summer. If the agency acts within that time frame, it will most likely make the environmentalists' case a moot issue.

House Panel Debates Measures to Improve Permitting, Access for Onshore Development

The U.S. House Natural Resources Subcommittee on Energy and Mineral Resources held

(Continued on page 3)



What do you see as crucial issues that IOPA should be focused on going forward?

INDEPENDENT OIL PRODUCERS ASSOCIATION TRI-STATE, INC.

(YOUR INDEPENDENT OIL PRODUCERS CONNECTION TO WASHINGTON, D. C.)

ANNUAL PICNIC - BARBECUE AND GOLF OUTING

WHERE:

**MT. CARMEL CITY PARK
AND GOLF COURSE
MT. CARMEL, ILLINOIS**

WHEN:

FRIDAY, SEPTEMBER 14, 2018

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IPAA Efforts

(Continued from page 2)

a legislative hearing June 6th on four draft bills aiming to codify changes to the permitting and access process for oil and gas development on federal lands. Witnesses included New Mexico Governor Susana Martinez (R-N.M.), Interior Deputy Assistant Secretary for Land and Minerals Management Katharine MacGregor, as well as state officials for mineral development from Utah and New Mexico. IPAA has worked closely with the Subcommittee on the substance and concepts the contained in these draft bills and will continue to do so going forward. "IPAA is encouraged to see the House Natural Resources Committee address the burdensome regulatory concerns that add undue costs to operating on public

lands," said IPAA President and CEO Barry Russell following the hearing. "Specifically, IPAA is pleased to see the Committee consider forward-thinking solutions that clarify and promote the use of categorical exclusions, address issues with the federal nexus, and create a more tailored permitting program. These discussion drafts are a positive step towards cutting unnecessary red tape and providing increased certainty for our member companies who seek to responsibly operate on public lands. IPAA commends Chairman Bishop and the authors of each draft bill on their efforts to codify these important issues, rather than allow industry to be whipsawed by the political whims of each new administration."

What Should IOPA Be About?

(Continued from page 1)

5. If regular meetings with members of Congress were arranged locally, would you want to participate in those meetings?
6. Do you expect economic adversity to your operations as a result of the recently imposed steel tariffs? What effect is it having on your company, if any?
7. What do you see as crucial issues that IOPA should be focused on going forward?
8. Additional comments?

You can find a downloadable copy of this

survey and a .pdf of this newsletter at www.iopatristate.org, click on "Downloads" to find the links.

Three ways to respond:

You can type your answers directly on the .doc file and return it as an e-mail attachment or print it out and write or type in your answers.

E-mail, doug.r@iopatrystate.org, as attachment of filled in .doc, or just reference the question by number in a conventional e-mail.

Fax, 812-476-2569

Regular mail, IOPA Tri-State, Inc., 2104 Lincoln Avenue, Evansville, IN 47714.



You can find a downloadable copy of this survey and a .pdf of this newsletter at www.iopatristate.org

Upcoming Events

July 2-6, 2018, 115th Congress District Work Week (See your legislator)

July 30–August 31, 2018, 115th Congress August Recess. (See your legislator)

August 15–16, 2018, SUMMER NAPE, George R. Brown Convention Center, Houston, TX, www.napeexpo.com

September 14, 2018, IOPA Picnic, Mt. Carmel City Park and Golf Course (see facing)

September 17-21, 2018, 115th Congress District Work Week. (See your legislator)

OGIS Chicago, October 10, 2018

October 15–November 9, 2018, 115th Congress District Work Period (See your legislator)

November 11–13, 2018, IPAA, Annual Meeting, The Ritz-Carlton, New Orleans.

November 19-23, 2018, 115th Congress District Work Week (See your legislator)



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YOUR INDEPENDENT
OIL PRODUCERS
CONNECTION TO
WASHINGTON, D.C.

The Independent Oil Producers Association Tri-State, Inc. is a successor to the Independent Producers and Land Owners Association Tri-State, Inc. incorporated in Mt. Vernon, IL on January 1, 1944. The original impetus for forming an association was to influence public policy relating to importation of crude oil from the Middle East and also to influence the framing of tax policy as it relates to oil producers.

Today IOPA Tri-State, Inc. continues the tradition of its long history, generally but not exclusively, confining itself to Federal policy by working with IPAA and the other 33 cooperating associations to advance our common cause in Washington D.C.

IOPA Tri-State, Inc. will continue to ensure that the independent producers of the Tri-State area will be represented at the Federal level and influence the framing of public policy in Washington, D.C.

Notes from Your Editor

Can we have your e-mail address?

We have had a few people send along their e-mail address. If you have not, please consider it. If we have enough people we can consider regular e-mail updates and come closer to gaining the ability to contact the membership rapidly when time is of the essence.

Newsletter content

Are there things you would like to see in your newsletter? We would like to know how we can improve it. Please let us know.

Future Direction

As you look forward what do you believe the efforts of IOPA Tri-State should be focused on? It is vitally important that we remain on the radar of decision makers in Wash-

ington. Please return the survey from page 1 and also let us know about things you see on the horizon.

Staying on the Radar

One simple way to stay in touch is to make personal contact with your legislator. A short visit when they are home is an excellent way to put a face with the issues they work on. You can also log on to: grassroots.ipaa.org

Here you can see how your legislator voted and then send them a congratulatory message or inquire why they didn't vote your way. Try it to express your opinion about energy tax policy.

Contact the editor at:

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