

2023



FROM THE PRESIDENT

The momentum of The Petroleum Alliance continues to build. After a banner 2022, we're racking up 2023 wins, actively engaging federal and state legislative and regulatory bodies to ensure our great industry continues to grow.



Oklahoma's regular 2023 legislative session has reached its end, and The Alliance remains diligent in promoting your interests at the state Capitol. We've seen lawmakers approve and Gov. Kevin Stitt sign our bills into law thanks to the work of The Alliance's Legislative Committee, its lobby team, and our member companies who

continue to implore Oklahoma lawmakers to prioritize the oil and natural gas industry.

This session, we ensured that legislation negatively impacting the state's oil and gas industry was not considered. In most cases, The Alliance's stated opposition to those bad bills was enough to kill them quickly.

We succeeded in stopping legislation that prioritized renewable energy sources over natural gas for public utilities. This is a new battleground for our organization, and one that will remain a focal point in the years to come as we focus our lawmakers on prioritizing the industry that employs Oklahomans, drives the economy, and fills state coffers.

Wind and solar don't! They are tax consumers, not tax providers!

Oklahoma had record revenue receipts in 2022 driven by the higher valuation of oil and natural gas. We remain the state's largest taxpayer and its most important driver of economic growth, contributing more than half of Oklahoma's real annual GDP growth in good years and bad.

For 2022, the industry provided \$64.9 billion in economic impact to Oklahoma - more than 27% of total statewide economic activity - and provided \$1 of every \$6 in household income.

Now, as we work through a more challenging phase of the oil and gas cycle, we need lawmakers to focus on protecting Oklahoma's bedrock industry from punishing anti-oil and gas regulations that are destroying family-owned oil and gas businesses, keeping low-income Oklahomans down, and choking out the middle-class.

Thank you for your support of our advocacy efforts and our organization as a whole. You can rest assured knowing The Petroleum Alliance is working on your behalf each and every day.



Brook A. Simmons
President

PETROLEUM ALLIANCE LEGISLATIVE COMMITTEE

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Matt Barr — Midship Pipeline/Cheniere Energy

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Danny Nixon — Energy Transfer

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Craig Perry — ONE Gas, Inc.

Sam Peyton — Magellan Midstream Partners

Rand Phipps — Mustang Fuel Corporation

Daniel Reim — Diversified Energy Company

Joey Ross — Alliance Resource Partners/ LP

Gabriel Sepulveda — Williams

Shelley Shelby — Continental Resources, Inc.

Emma Sherry — Devon Energy Corporation

Steve Slawson — Slawson Exploration Co. Inc.

Jeff Starling — Lagoon Water Midstream

Brandee Stephens — CVR Refining

Patrick Whalen — Lagoon Water Midstream

Paul Willis — Diversified Energy Company

Jeff Wilson — Devon Energy Corporation

Brian Woodard — Mewbourne Oil Company



LEGISLATIVE SCORECARD

Oklahoma state senators and representatives started the 2023 legislative session with more than 3,000 bills to be considered. Included in that legislation were six proposals identified by The Petroleum Alliance Legislative Committee as “priority” bills for the oil and natural gas industry and are the benchmarks used to determine how state elected officials have supported the state’s defining industry. The Petroleum Alliance also successfully improved a trio of bills that impact the oil and natural gas industry and defeated several harmful bills that would have made doing business in Oklahoma more difficult if they were to be signed into law. Legislation used to determine each lawmaker’s scoring is listed below.

ALLIANCE PRIORITY LEGISLATION

HB2561 — The bill modernizes the state’s Emergency Price Stabilization Act by defining natural gas as a petroleum product. The bill was requested by The Alliance after former Oklahoma Attorney General John O’Connor threatened to sue Oklahoma natural gas producers in the wake of Winter Storm Uri in 2021. The crux of the AG’s position was based on his belief that there was no uniform understanding that natural gas is considered petroleum. O’Connor reversed course on his threat to sue thanks to the intervention of Alliance staff and The Alliance’s Legal Committee.

SB255 — Requires motor fuel pumps containing 15 percent ethanol to be labelled in accordance with federal E15 labeling requirements.

HB2806 — Extends the Oklahoma Energy Resources Board until July 1, 2025, in accordance with the provisions of the Oklahoma Sunset Law.

HB2053 — Allows a groundwater permit applicant whose application has been appealed to take groundwater while their appeal is pending unless the person or entity that has challenged the permit has shown a high likelihood the appeal will be granted. Any appeals of an approved groundwater permit filed solely on the basis of the industry or entity applying shall be dismissed. If such appeals are found to be frivolous, the court may impose sanctions against the challenger and/or their attorney, and require them to reimburse reasonable costs.

BILLS IMPROVED BY ALLIANCE ACTION

HB2845 — Maintains the longstanding 1MW threshold for competitive bidding for electric service in certified rural electric cooperative territories. While the co-ops initially requested an increase to 10MW, which would have captured most future oil and natural gas electric loads in rural areas exceeding 1MW, compromise language brokered between industry and the electric co-ops maintains the 1MW threshold for competitive bidding but specifies that investor-owned utility service in such instances must be subject to conventional ratemaking principles such as cost of service and no subsidies between classes.

SB724 — Prohibits the construction and maintenance of any gasoline pump, driveway canopy, building, sign, fence, post, or any thing or structure on or overhanging any county road right-of-way. The Alliance was successful in exempting oil and natural gas industry activity from the legislation.

SB852 — Allows the Corporation Commission to measure methane from an orphaned oil, gas, brine, or injection well and obtain any carbon credits that may be available for the measured emissions.

ALLIANCE PRIORITY LEGISLATION NOT HEARD

These bills were not heard by both chambers of the legislature. They are included in the scoring criteria for the legislative scorecard.

SB847 and HB2135 — Both bills would create the Oklahoma Right to Drive Act and prohibit any municipality or county from adopting any ordinance or rule with limits the sale, purchase, trade, or usage of any motor vehicle which utilizes an internal combustion engine.

SB477 and SB210 — Expands and funds the Oklahoma Emission Reduction Technology Incentive Act and includes a new program for refiners to implement emissions reductions projects. The bill would provide \$25 million per year for implementing qualified emission reduction projects.

BILLS STOPPED BY THE ALLIANCE

These bills were stopped by The Petroleum Alliance before any floor votes were taken. Because they were not heard, they are not included in the scoring criteria for the legislative scorecard.

SB1103 and SB694 — Both bills would mandate Performance-Based Ratemaking (PBR) for regulated electric utilities, allowing those power providers to increase rates with less public scrutiny and transparency. PBR incentivizes electric utilities to move towards intermittent sources at the expense of reliability. The increased use and reliance on intermittent resources, while turning away from proven sources like natural gas, is a threat to service reliability, a threat to Oklahoma’s budget, and a threat to natural gas producers across Oklahoma.

HB2247 — Would give Oklahoma counties the option to enact a \$10-per-acre tax on mineral owners where the minerals have been severed from ownership of the surface rights. The bill would also set a precedent for county-level taxes and regulations on the oil and natural gas industry.

SB629 — Would require the operator of a well to obtain written permission or a surface damage settlement from the landowner prior to plugging a well.

LEGISLATIVE SCORECARD

This scorecard was created for Petroleum Alliance members and supporters to see how lawmakers and the legislature overall measure up on energy industry issues. Each legislator's 2023 Score is representative of how they voted on the legislation listed on the previous page. Their Lifetime Score is an average of their 2022 and 2023 score and will be updated each year the legislator is in office.

Only one lawmaker —Rep. Kevin West — earned a 100 score in both 2022 and 2023. Other senators and representatives with a 100 lifetime score are freshman lawmakers who did not have a 2022 score.

This scorecard is for informational purposes and does not reflect an endorsement of legislators who scored well or a rejection of those with low scores. Senate and House votes and the ultimate outcome of legislation reveal where the legislature stands on issues that affect Oklahoma's defining industry.

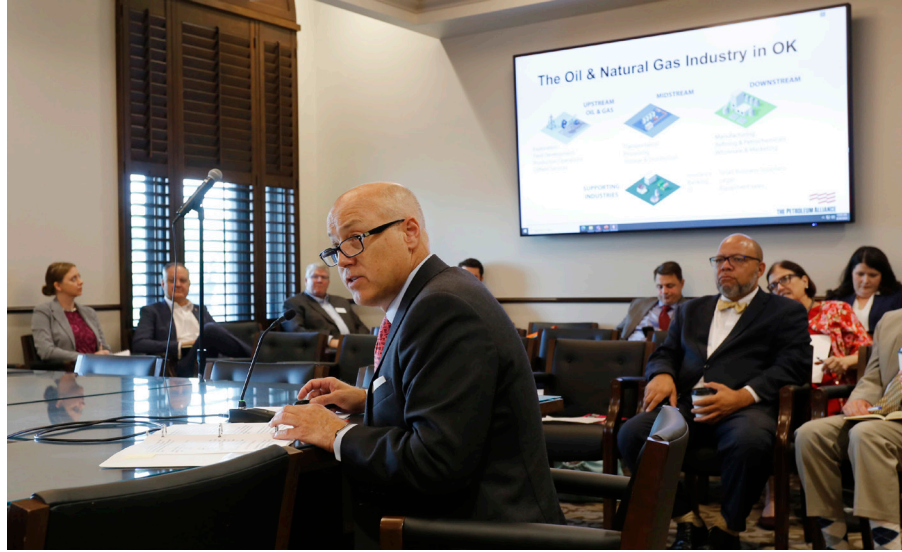
SENATE

SENATOR	2023 SCORE	LIFETIME SCORE	SENATOR	2023 SCORE	LIFETIME SCORE
Jerry Alvord	100	100	Shane Jett	100	90
Todd Gollihare	100	100	David Bullard	100	87
Grant Green	100	100	John Montgomery	97	97
Dana Prieto	100	100	Rob Standridge	97	94
Ally Siefried	100	100	Cody Rogers	97	92
Jack Stewart	100	100	Joe Newhouse	97	89
Kristen Thompson	100	100	Chuck Hall	95	88
Tom Woods	100	100	Julie Daniels	94	97
Bill Coleman	100	95	Casey Murdock	94	88
John Haste	100	95	Greg McCortney	92	81
Darcy Jech	100	95	Brenda Stanley	91	91
Lonnie Paxton	100	95	Michael Bergstrom	91	85
Roland Pederson	100	95	Roger Thompson	89	87
DeWayne Pemberton	100	95	Kay Floyd	86	83
Adam Pugh	100	95	George Young	86	83
Dave Rader	100	95	Warren Hamilton	86	78
Blake Stephens	100	95	Michael Brooks	86	73
Darrell Weaver	100	95	Mary Boren	86	73
George Burns	100	94	Julia Kirt	83	80
Jessica Garvin	100	94	Greg Treat	81	80
Brent Howard	100	94	Kevin Matthews	80	84
Chris Kidd	100	94	Jo Anna Dossett	72	81
Paul Rosino	100	94	Carri Hicks	72	80
Tom Dugger	100	90	Nathan Dahm	38	58

METHODOLOGY — Bills used to determine these scores - HB2561, SB255, HB2806, HB2053, HB2845, SB724, and SB852. The last floor vote was used to determine the legislator's position. All legislators start at 100 percent and each vote against The Petroleum Alliance of Oklahoma position results in 14 points being deducted. A missed vote will result in a loss of three points. A missed vote for a legislator taking constitutional privilege will not result in the loss of any points. If a legislator missed more than half of the votes, they will not receive a score. SB847/HB2135 and SB477/SB210 were not heard in both chambers, and 5 points were deducted from each member of legislative leadership who prevented those bills from advancing.

HOUSE OF REPRESENTATIVES

REPRESENTATIVE	2023 SCORE	LIFETIME SCORE	REPRESENTATIVE	2023 SCORE	LIFETIME SCORE
Kevin West	100	100	Preston Stinson	97	91
Chris Banning	100	100	Dean Davis	97	89
Josh Cantrell	100	100	Kyle Hilbert	97	89
Collin Duel	100	100	Chris Sneed	97	89
John George	100	100	John Talley	97	89
Cody Maynard	100	100	Chad Caldwell	97	87
Chris Kannady	100	96	Ken Luttrell	97	87
Mark Lepak	100	96	Carl Newton	97	87
Steve Bashore	100	95	Josh West	97	87
Trey Caldwell	100	95	Trish Ranson	97	87
Denise Crosswhite Hader	100	95	Cynthia Roe	97	86
David Hardin	100	95	Lonnie Sims	97	84
Dick Lowe	100	95	Charles McCall	95	93
Stan May	100	95	Nick Archer	94	94
Eric Roberts	100	95	Jared Deck	94	94
David Smith	100	95	Neil Hays	94	94
Danny Sterling	100	95	Mark Tedford	94	94
Max Wofley	100	95	Jeff Boatman	94	92
Ross Ford	100	94	Jon Echols	94	91
Brian Hill	100	94	Mark Lawson	94	91
Jay Steagall	100	94	Daniel Pae	94	91
Tammy Townley	100	94	Eddy Dempsey	94	89
Tammy West	100	94	Scott Fetgatter	94	88
Danny Williams	100	94	Randy Randlemann	94	87
Brad Boles	100	92	Terry O'Donnell	94	84
Rusty Cornwell	100	90	Mark McBride	91	96
Mike Dobrinski	100	90	Ryan Martinez	89	90
Gerrid Kendrick	100	90	TJ Marti	88	83
Jim Olsen	100	90	Ellyn Hefner	86	86
Marc Vancuren	100	90	Bob Ed Culver	86	83
Ty Burns	100	89	Jacob Rosencrants	86	83
Jim Grego	100	89	Monroe Nichols	85	85
Ronny Johns	100	89	Annie Menz	83	83
Judd Strom	100	89	Suzanne Schreiber	83	83
Anthony Moore	100	87	Forrest Bennett	83	82
Kenton Patkowsky	100	87	Kevin Wallace	83	79
Marcus McEntire	100	86	Justin J. J. Humphrey	80	81
Rande Worthen	100	85	Jason Lowe	80	77
Marilyn Stark	97	99	John Waldron	72	76
John Kane	97	97	Mickey Dollens	72	75
Ajay Pittman	97	97	Andy Fugate	72	75
Clay Staires	97	97	Cyndi Munson	72	75
Mike Osborn	97	96	Arturo Alonso-Sandoval	72	72
John Pfeiffer	97	96	Meloyde Blancett	72	72
Rhonda Baker	97	94	Melissa Provenzano	69	77
Sherrie Conley	97	94	Amanda Swope	69	69
Dell Kerbs	97	94	Regina Goodwin	66	70
Robert Manger	97	94	Mauree Turner	60	79
Kevin McDugle	97	92	Tom Gann	58	59
Nicole Miller	97	92	Rick West	44	52
Toni Hasenback	97	91			



The logo for the Wildcatters Club of Oklahoma. It features a red graphic of three horizontal bars above the word 'Wildcatters' in a large, elegant, black cursive font. Below this, the words 'CLUB OF OKLAHOMA' are written in a bold, black, sans-serif font.



ADVOCACY IN ACTION

As the leading advocate for Oklahoma's oil and natural gas industry, The Petroleum Alliance works on your behalf at the Oklahoma legislature, the Corporation Commission and other government bodies where our business interests are at risk. The most important weapon in our arsenal has been our organization's willingness to support our political allies through the organization's Wildcatters Club and the Petroleum Alliance PAC.

The oil and natural gas industry is always a potential target for punitive legislation and regulation. The Wildcatters Club is a key reason The Petroleum Alliance has been able to not only deflect negative legislation, but also to be proactive in pushing for laws that strengthen our state's oil and natural gas industry.

With your contribution you can assist in the election of officials who help pass or defeat legislation and influence regulations that affect your business every day. The Wildcatters Club needs your contribution in order to be an even more effective advocate for members of The Petroleum Alliance and the oil and natural gas industry as a whole.

Personal contributions to the Wildcatters Club are considered donations to the Petroleum Alliance PAC and are used to support political candidates and elected officials who have shown strong support of Oklahoma's oil and natural gas industry. One-hundred percent of personal contributions to the PAC go directly to these candidates and lawmakers seeking re-election. Corporate contributions are used to support Wildcatters Club events and industry advocacy efforts.

Wildcatters Club Contribution Levels

Inner Circle - \$5,000/year

The Wildcatter Inner Circle is the most exclusive and important industry group in Oklahoma and is made up of CEOs, company presidents and company owners. Membership is reserved for individuals and companies who are committed to maintaining the oil and natural gas industry's predominant place in the Oklahoma political arena.

Council - \$2,500/year

The Wildcatter Council is the second tier of support designed to introduce young executives and new company owners to the importance of political advocacy.

Black Gold - \$1,000/year

Black Gold Wildcatter membership is ideal for mid-level managers and veteran oilfield professionals who have staked their livelihood on Oklahoma's oil and natural gas industry.

Wildcatter - \$500/year

The basic Wildcatter membership is designed to provide entry-level oil and natural gas industry professionals the opportunity to participate in The Alliance's political efforts.

Prospector - \$250/year

Reserved for members of the Alliance's NextGen program, the Prospector level gives young professionals under 30 the opportunity to participate in the organization's political efforts.



SECOND TO NONE

One of the largest state
business PACs in the
country



EXCLUSIVE CANDIDATE EVENTS

Exclusive opportunities
to meet political
candidates



ELECTION CONTRIBUTIONS

Contributes hundreds of
thousands of dollars every
election cycle

Join the Wildcatters Club today!
Contact Keith Beall at keith@okpetro.com.



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OF OKLAHOMA

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