



Through the Years

Becoming the Texas Alliance of Energy Producers

As the “Through the Years” series closes out this month, we will look at the past 20 years when the Texas Alliance of Energy Producers emerged from the union of the North Texas Oil & Gas Association and the West Central Texas Oil & Gas Association. This merger formed an organization that has become the largest statewide oil and gas association for Independents and allied industries in the country. Our mission remains strong: to represent our membership at all levels of government and to work for a business environment that allows companies to grow and lead the nation to energy independence.

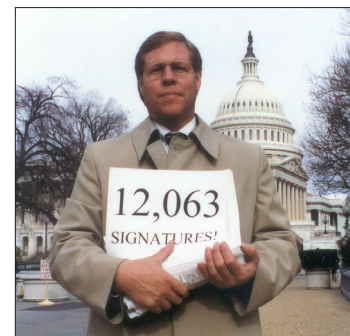
Since 1930, this organization has been led by many outstanding individuals. Their vision and fortitude has guided us through good times, as well as through many turbulent times. To understand this journey, several of the recent Chairmen of the Board and past President Alex Mills have provided a personal account of their tenure with the Texas Alliance.

I would like to thank our membership for your continued support, and hope you have enjoyed reliving our extraordinary history.

Jo Ann Baker, Alliance Senior Vice President

1998-2000 NTOGA President Mike Elyea

When I began my term in April 1998, the price of oil had recovered to the mid \$20 range and Bill Seltzer the outgoing President, remarked he was happy to do his part to get the price up from \$15 where it was when he began serving. Well, based on that criteria, I did not carry on his legacy very well. Crude hit a low of about \$8 a barrel by December 1998, and our industry was in disarray. In January or February 1999, I attended the oil man’s march on the capital in Austin, where John “give’em hell” Bell gained his fame. I knew we needed to do something to engage our membership so I convinced Alex, I must add reluctantly, we needed to start a petition drive to encourage energy policies to reduce dependence on foreign oil and support the US independence oil producers. We gathered 12,063 signatures and went to Washington D. C. to show law makers there were many citizens concerned about the destruction of the independent producer. A coalition of associations including, WeCTOGA and others, sponsored breakfasts for Congressional staff members from both sides of the isle to educate them of our industry’s blithe. In addition, Rep. Charlie Stenholm agreed to host a dinner with mostly Democrats from non-producing states to discuss our situation. Among those in attendance was Charlie Rangel, the last one you would have guessed would accept an invitation. These venues allowed off record discussions which I believe were helpful.



NTOGA President Mike Elyea traveled to Washington, DC to present 12, 063 NTOGA signatures to members of Congress.

Due to the destruction being caused by low oil prices and the fact that consumers were more interested

in low gasoline prices versus establishing policies to encourage energy independence, it became obvious we needed to improve our political presence by increasing the size of our membership. We entered a series of confidential discussions with the WeCTOGA and developed a plan to merge 2 of the oldest independent oil and gas associations into the Texas Alliance of Energy Producers. Alex Mills became the President and Bill Stevens became the Executive Vice President and Chief Lobbyist.

Among other "highlights" of my term was being the 2nd association to join Save Domestic Oil which was founded by Enid oilman Harold Hamm to file a lawsuit against several foreign countries for dumping oil on the world market and artificially driving the price down, reinstating the Mozelle Cherry award, convincing Charles Seely to succeed me and become the first chairman of TAEP, and Roy Pitcock Jr. to stay on for another term as serve as Vice Chairman of the new association and ultimately Chairman of TAEP. By the end of my term in April 2000, the average price of oil was \$25.57.....

2002-2004 TAEP Chairman Roy T. Pitcock, Jr.

It was during a period of low prices that talks began about a merger.

We wanted an association for small independents (Mom & Pops) as well as larger independents. To be more efficient and more effective lobbying on the local, state, and federal levels. Educating the public was another interest. Starting from the grade school up.

With the decision to merge decided the big struggle was over the new name. It was decided the Texas Alliance of Energy Producers fit our objectives.

A group of people working together for a common purpose.

It was the hard work of many, but Alex Mills, Bill Stevens and Charles Seely made it happen. I would like to thank each one of them.

Alex built the Alliance to what it is today plus train many of his chairmen.

Alex told me, more than once, in politics The Squeaky wheel gets the grease and sometime the best thing that happens is nothing at all.

Bill hit the ground lobbying. Because of his efforts the Texas Alliance is known in Austin and Washington. I'm sure he got tired of leading me around.

During my term there were many issues from EPA-permits to well bonds, and a lot in between. Because of some of the issues we traveled to DC and Austin several times, Oil & Gas associations in other states, as well as some town hall meetings across the state.

One of the benefits for me while serving was getting to meet so many people. Like Karr Ingham when the Alliance Petroleum Index was introduced in Houston.

Alex put together a great team of professionals to run and continue building this association and I was proud to be just a little part. I enjoyed working with and getting to know all of them.



On July 18, 2000, NTOGA Board of Directors approved merger documents with WeCTOGA to form the Texas Alliance of Energy Producers. Shown are (left to right): Charlie Seely, President Alex Mills and Roy T. Pitcock, Jr.

A big Thanks to Cye, Jason, Jo Ann and Karr for the great job they continue to do in these tough times. As a small Independent looking forward, I see the need for the Texas Alliance more than ever.

2004-2006 TAEP Chairman Hollis Sullivan



When I was asked to serve as the chairman of the TAEP I had to think long and hard about accepting the position. Our company was blessed to be in the early stages of the Barnett Shale boom, which kicked off the Shale revolution and eventually changed the world energy scene. We faced political and environmental opposition then as we do today. The TAEP has continued to grow in membership and be a influential voice in Austin and in Washington DC.

(LEFT) Chairman Hollis Sullivan traveled to Washington in 2006 to meet with members of Congress on behalf of the Alliance.

2012-2014 TAEP Chairman Townes Pressler

I look back at my time as Chairman during the middle of the Obama 8-year Administration, when we were worrying about threats to our long standing incentives of percentage depletion and IDC's, establishing water quality data banks, dealing with the environmentalists use of the Endangered Species Act to hamper oil and gas exploration and operations (remember the Lesser Prairie Chicken? Maybe the "chicken's" predecessor on the list, the Golden Cheeked Warbler?), hydraulic fracking, earthquakes, well spacing, and the crafting of regulations for the rapid advancing resource developing techniques, which led to U.S. energy independence and making our Country the largest elephant in the room—Texas was and still is the prime player in this renaissance, and the RRC the premier regulator in the world!



In 2018, Townes Pressler (front, center) was honored at a Houston Wildcatters event for his outstanding contribution to the oil and gas industry, and his long service to the Texas Alliance. He is shown with members of his family.

Today, we have moved quantum leaps forward in understanding the science and dynamics of the shale developments, the rock, the stimulation. While flaring was an important issue in 2012, it is now a major concern for Texas and the nation, and it must be addressed. We have also provoked OPEC into an economic war which no one will win. There will only be losers, but it appears that the egos are beginning to be left at the meeting room door and rational thinking returning to the OPEC meeting room. But to be sure, there will still be the flexing of muscles. Blind greed mixed with financial expediency among other pressures bearing on the compromise and final decisions on production levels, market share, and price.

In just a few short years, the wild ride to \$100 oil has come to a pause, and although now it is showing signs of life against the backdrop of OPEC and making only a slight concession on production increase, and the first COVID-19 vaccine will hit the market December 14. Yes, Trump made good on his promise! A fact somehow missing on the front page of our newspapers. All of which, gas languishes and flaring is a bigger problem today than it was 8 years ago, and one that needs to be resolved. Lots of belt tightening, right-sizing, bankruptcy "equalizers", and all the usual attributes of one part of the cycle(s)

our industry is known for. The ESA has become a dull tool of the anti-oilers, and now been replaced by climate change, which has been gathering steam for a number of years now. It has gotten real traction and will not go away for some time. We were worried about regulatory overreach in 2012-2014 under Obama, and we're again worried about it with the new administration taking over January 21 of 2021. The signs are clear and this is a huge deal! We were a strong organization in 2012-14 and we are strong today. Our leadership with Chairperson Cye Wagner and Houston Sullivan, and an extremely strong Board, and President Jason Modglin and his team are the envy of the industry. We have the horsepower and the resilience to guard against the destructive and disruptive elements attacking our industry and livelihoods, and the will to find creative opportunities to serve our membership and to make our industry truly "user friendly".



Bob Osborne (left to right) is shown with Texas Railroad Commissioner Christi Craddock and Chairman Emeritus Townes Pressler.

2016-2018 TAEP Chairman Bob Osborne

It was a pleasure serving as Chairman for the Texas Alliance of Energy Producers, but it had its challenges.

Change is inevitable in this industry, and we all must adapt. Long-time President Alex Mills retired in 2017 after serving this organization for 23 years. Alex was a true leader, and he led the Texas Alliance with professionalism and strength.

John Tintera was hired as the new president. John was the former Executive Director of the Railroad Commission, and his regulatory knowledge provided invaluable guidance on issues facing our industry. John and Alliance Lobbyist Bill Stevens succeeded in making the Texas Alliance recognized as a leading voice in Austin for the Independents.

I would like to recognize former Senator Craig Estes of Wichita Falls for being an advocate for the oil and gas industry and this organization.

I truly appreciate the opportunity to give back to this industry that has given me and my family so much over the past 50 years.

2018-2020 TAEP Chairman Jim Beck

When I accepted the position as Chairman, I realized that this would be a tenure of transition. Our great President Alex Mills was retiring and our new President John Tintera was taking over. It was also a boom time in our industry with Horizontal wells and Fracking increasing Texas production dramatically.

The Alliance had many new policies to develop. These included produced water handling and disposal, flaring of casinghead gas and many new pipelines with increasing rates. John was a true leader in handling these and many other issues for the Alliance.

But then transition happened again as John had to retire and we had to find another new President. It was also time to bring in a new generation to lead the Alliance into the future. The ideal Chair-



Jim Beck (right) traveled to Washington DC and met with members of Congress included Texas Senator John Cornyn.

man to fill that position was Cye Wagner. She started as Vice Chair and has done a super job. In addition, we needed to start interviewing to find a new President. The search committee did a great job and we found the perfect man with exactly the right experience to become the next President. Jason Modglin started in 2020.

When I started this tenure as Chairman I knew it would be a challenging 2 years but I had no idea there were going to be that many changes. It was an honor and privilege to be your Chairman for those 2 years. I look forward to seeing the Alliance continue to grow under its new leadership.

1994-2017 TAEP President Alex Mills

During Army basic training our drill sergeants kept yelling at us: "Keep your butt down and keep moving."

This saying applied to my 23 years as the administrator of the North Texas Oil and Gas Association and later the Texas Alliance of Energy Producers from 1994 to 2017. Every day there was something new and different. It could have been a new bill in Congress to repeal percentage depletion, or it could have been a proposal in the Texas Legislature to ban hydraulic fracturing within city limits, or it could have been a quacky news story alleging air emission from gas wells was killing coyotes.

Yes, all of that happened, and more.

Time and space prohibit my rehash of all those battles, but I do want to share with you some of the good stuff that happened during my tenure.

MERGER: Times were terrible in 1999. The association barely had two nickels to rub together. The same was true at the West Central Texas Oil and Gas Association. NTOGA President Mike Elyea and the Board said it was time for a change and the merger talks resulted in the Texas Alliance of Energy Producers with Charley Seely of Fort Worth as the first Chairman followed by Roy Pitcock Jr. of Graham.

FOUNDATION FOR ENERGY EDUCATION: President Don Hupp established the Foundation to educate children in public schools about the importance of the oil and gas industry. It grew over the years peaking in 2012 with some \$400,000 in donations to increase education of the general public about the industry.

ANNUAL MEETING: Senior Vice President Jo Ann Baker grew our Annual Meeting into the largest association meeting in the nation with hundreds of booths and more than 3,000 attendees.

INSURANCE PROGRAMS: Steve Burluson put together an array of quality insurance programs for members with hundreds of companies. The royalties became a very important revenue stream for the association and an excellent membership recruitment/retention program.

MEMBERSHIP: Without you, the member, the association would not exist. Members gave the Alliance power, and the Alliance became the largest statewide oil and gas association in the nation with 3,300 members.

It was my honor to serve this great industry. I kept my butt down and kept moving. Now it is up to others. May God bless each of you, and God bless Texas and the United States of America as the Texas Alliance of Energy Producers celebrate its 90th anniversary.



Retiring President Alex Mills was featured on the cover of the American Oil & Gas Reporter.