

2023 Pulse of the Oil Patch Survey

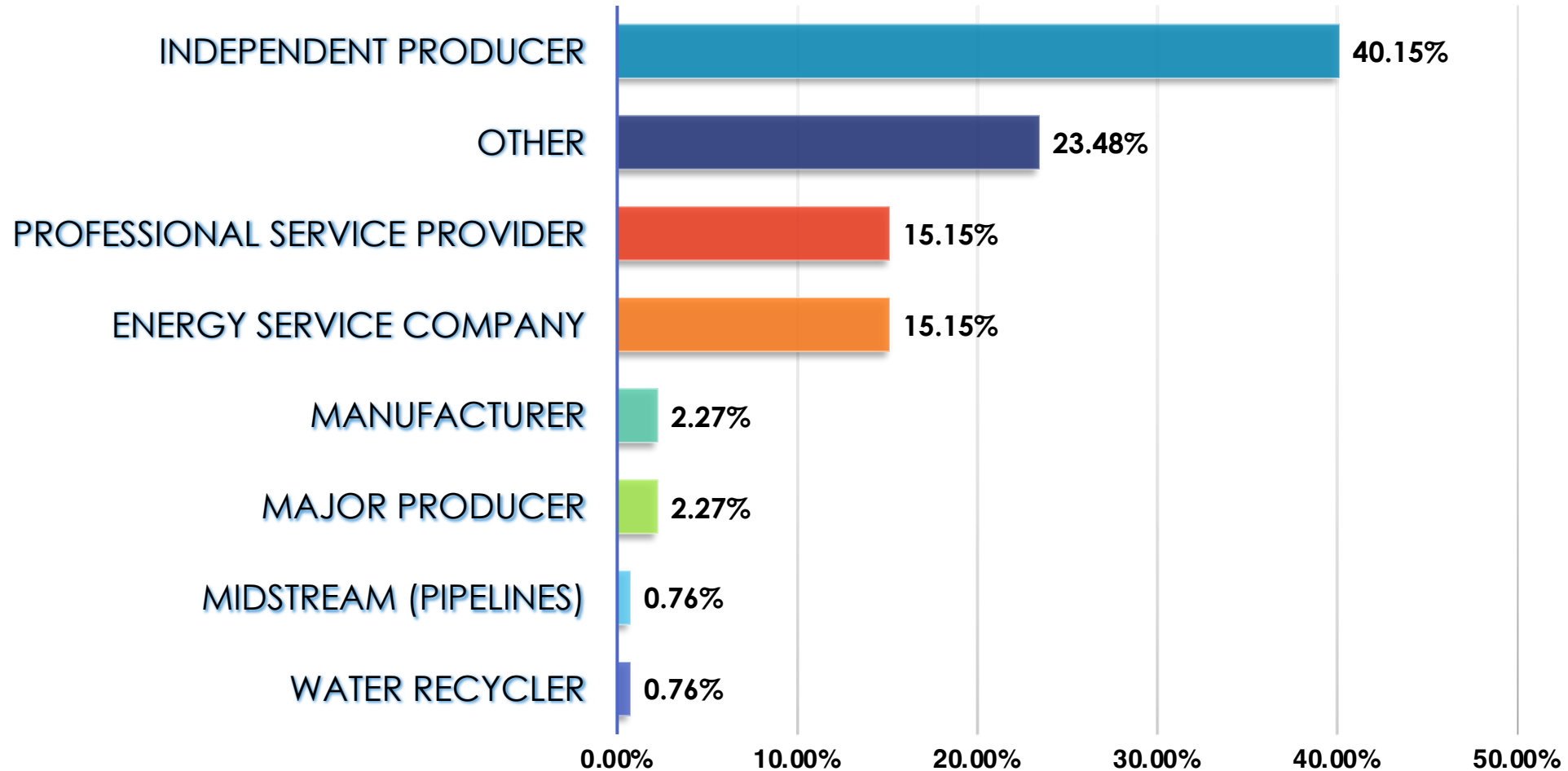
Key Findings*

- ▶ **Top Threat:** Federal overregulation
- ▶ **Top Challenges:**
 1. Supply chain issues
 2. Regulatory issues
 3. Regulatory uncertainty
- ▶ **Top Priority:** Grow the business
- ▶ **Business Outlook:** Mostly positive
- ▶ **Industry Outlook:** Less optimistic
- ▶ **Biden Administration's energy policy:** 85% disapprove

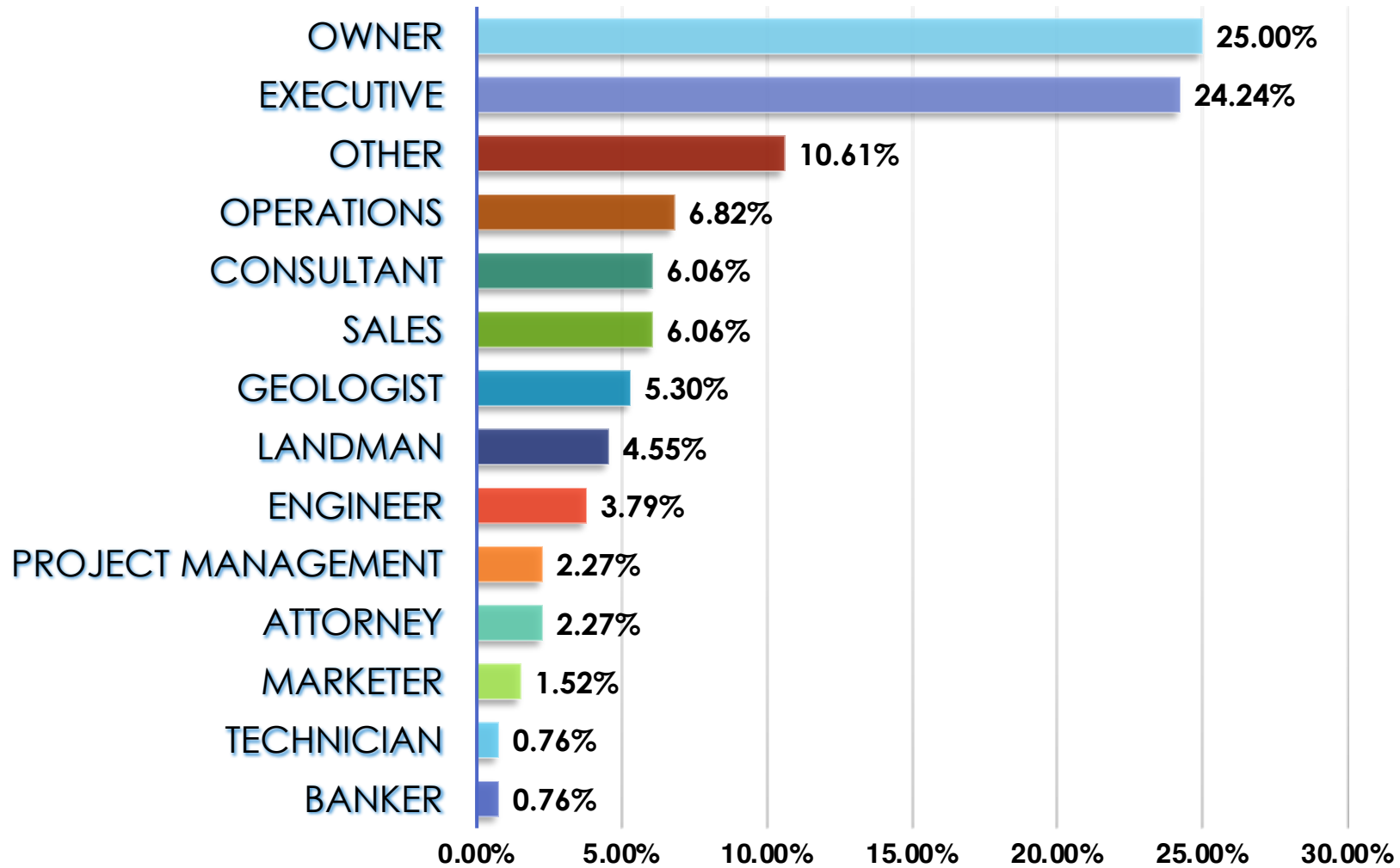


*Based on the responses of 130+ oil and gas professionals, mostly based in Texas

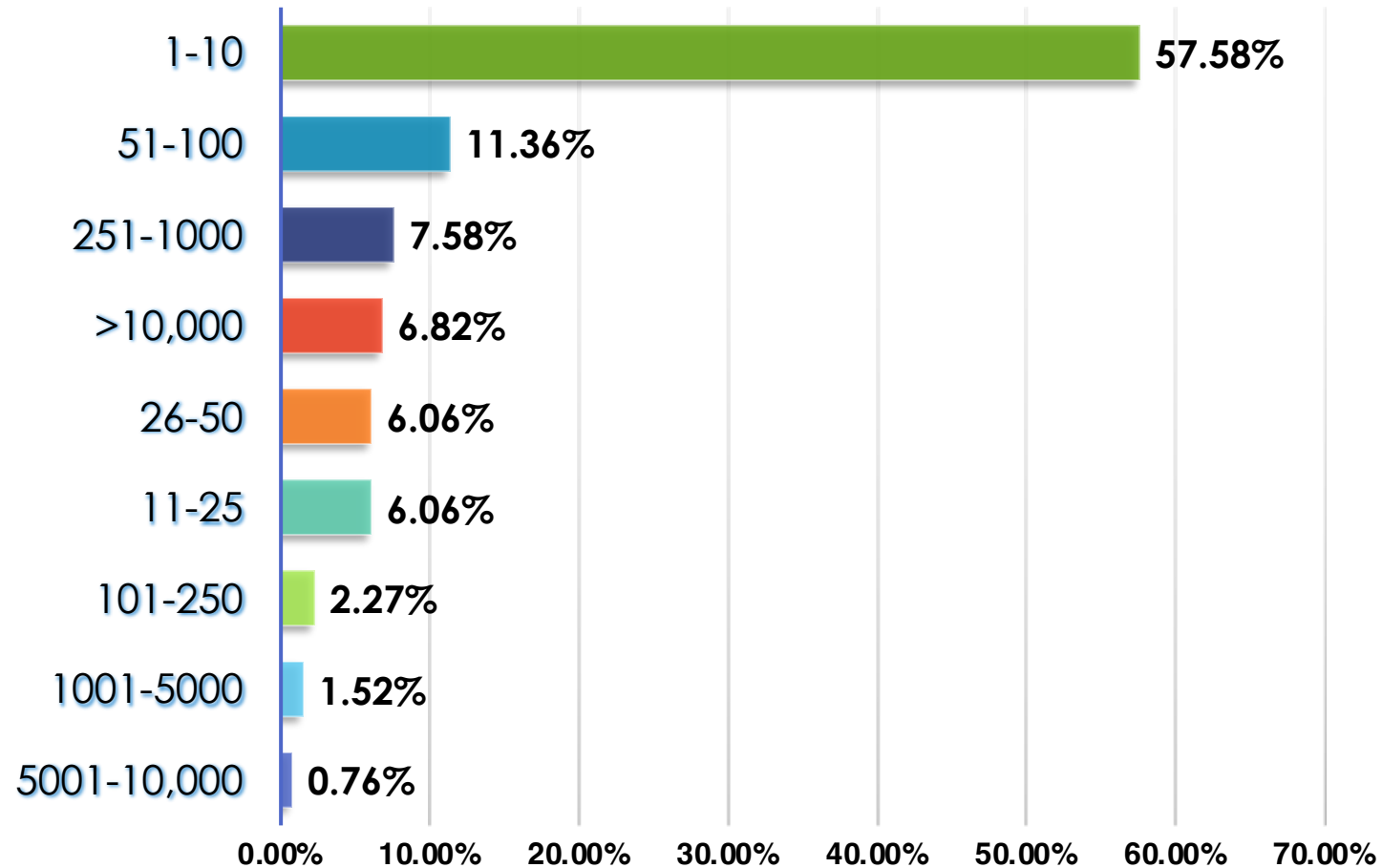
What type of organization do you work for?



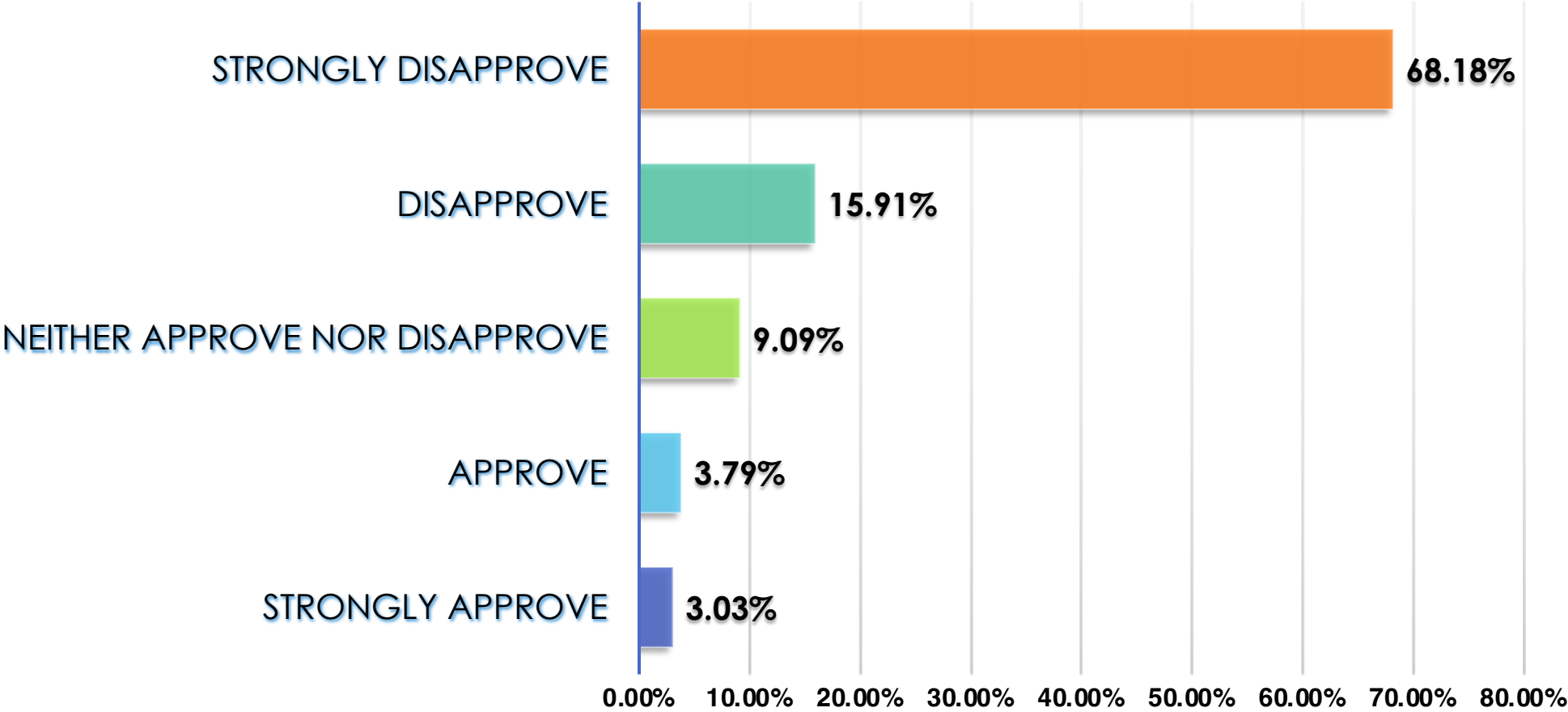
What is your role?



What is your organization size by number of employees?



Do you approve or disapprove of the Biden Administration's approach to U.S. energy policy?

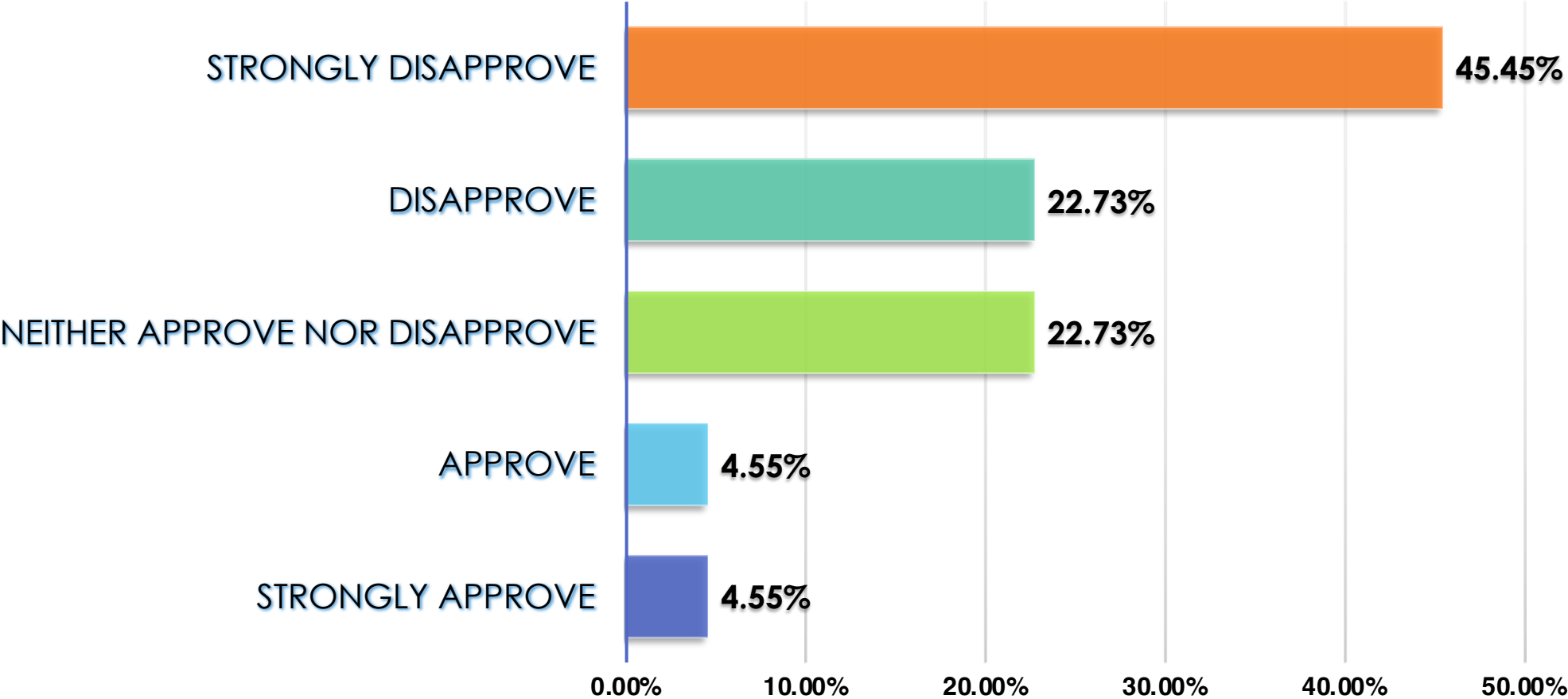


Do you approve or disapprove of the Biden Administration's approach to U.S. energy policy?

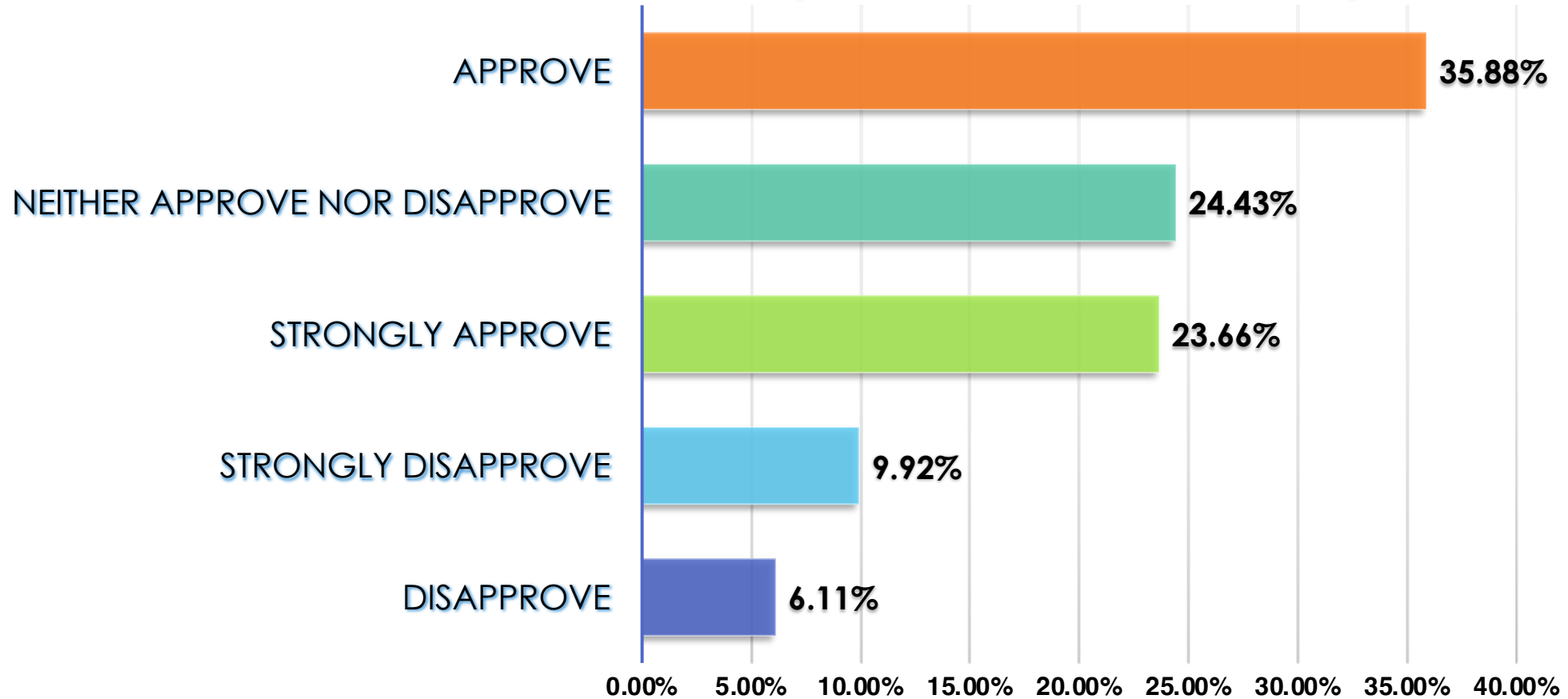
Comments:

- ▶ “Domestic energy production is essential to US energy security and lowering US consumer energy costs.”
- ▶ “Energy independence is the only way for the US to survive and remain strong in this world.”
- ▶ “It is an impediment to the growth of the United States.”
- ▶ “Disincentivizing drilling and production while trying to shame us into increasing production at the same time.”
- ▶ “Does not take a free market approach.”

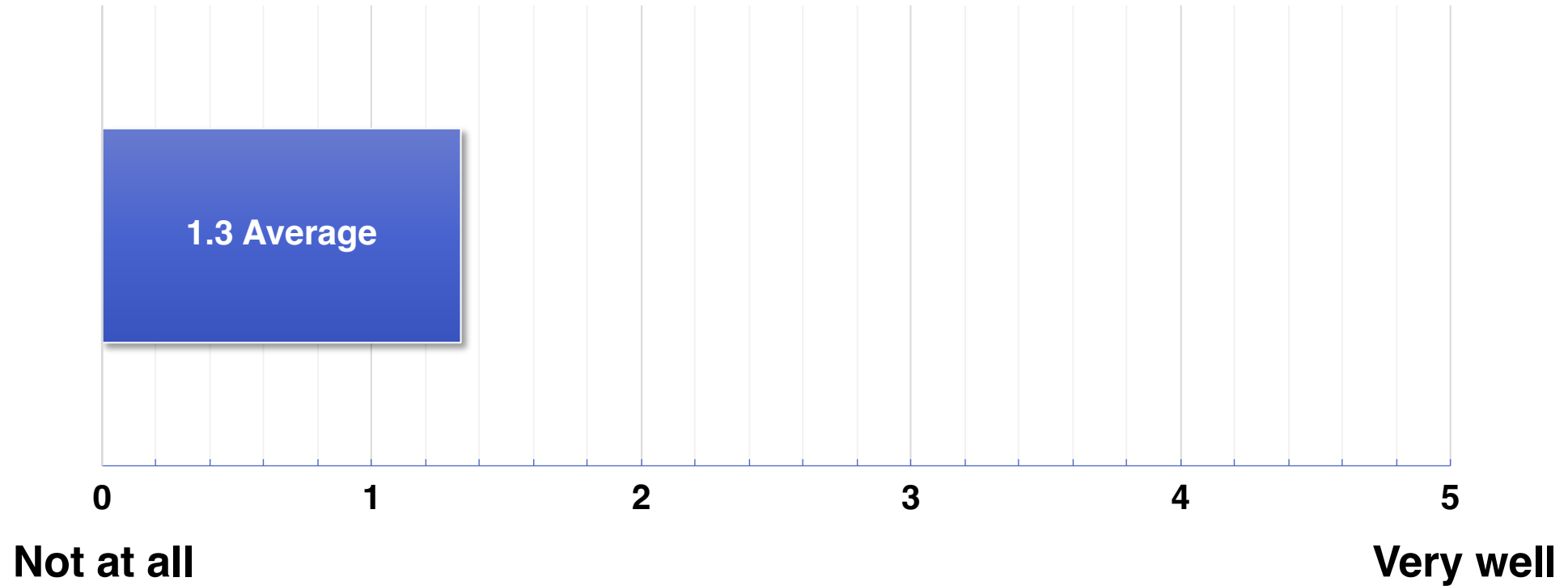
Do you approve or disapprove of the Biden Administration urging OPEC to produce more oil?



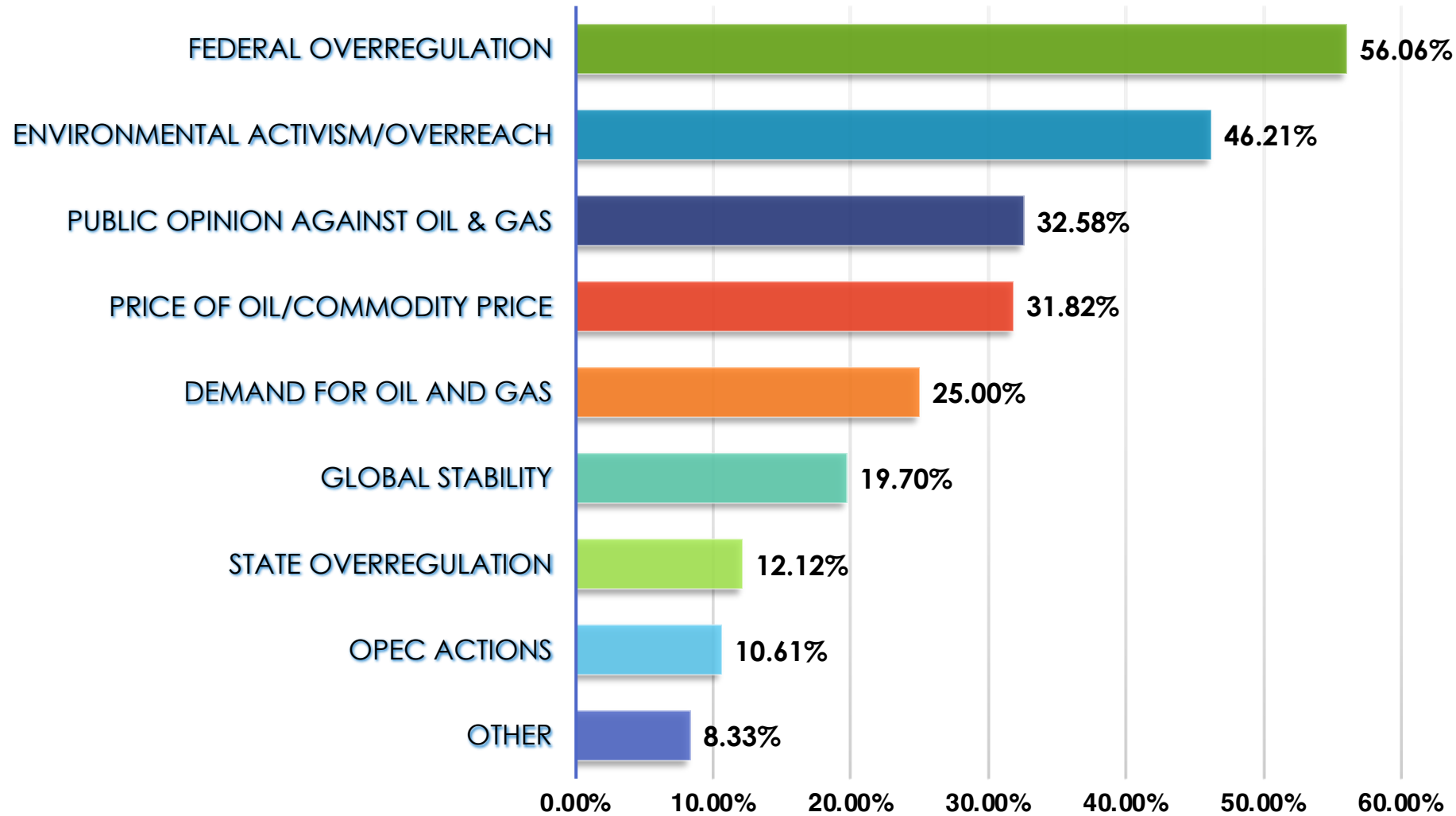
Do you approve or disapprove of the Biden Administration's commitment to Europe to increase LNG exports?



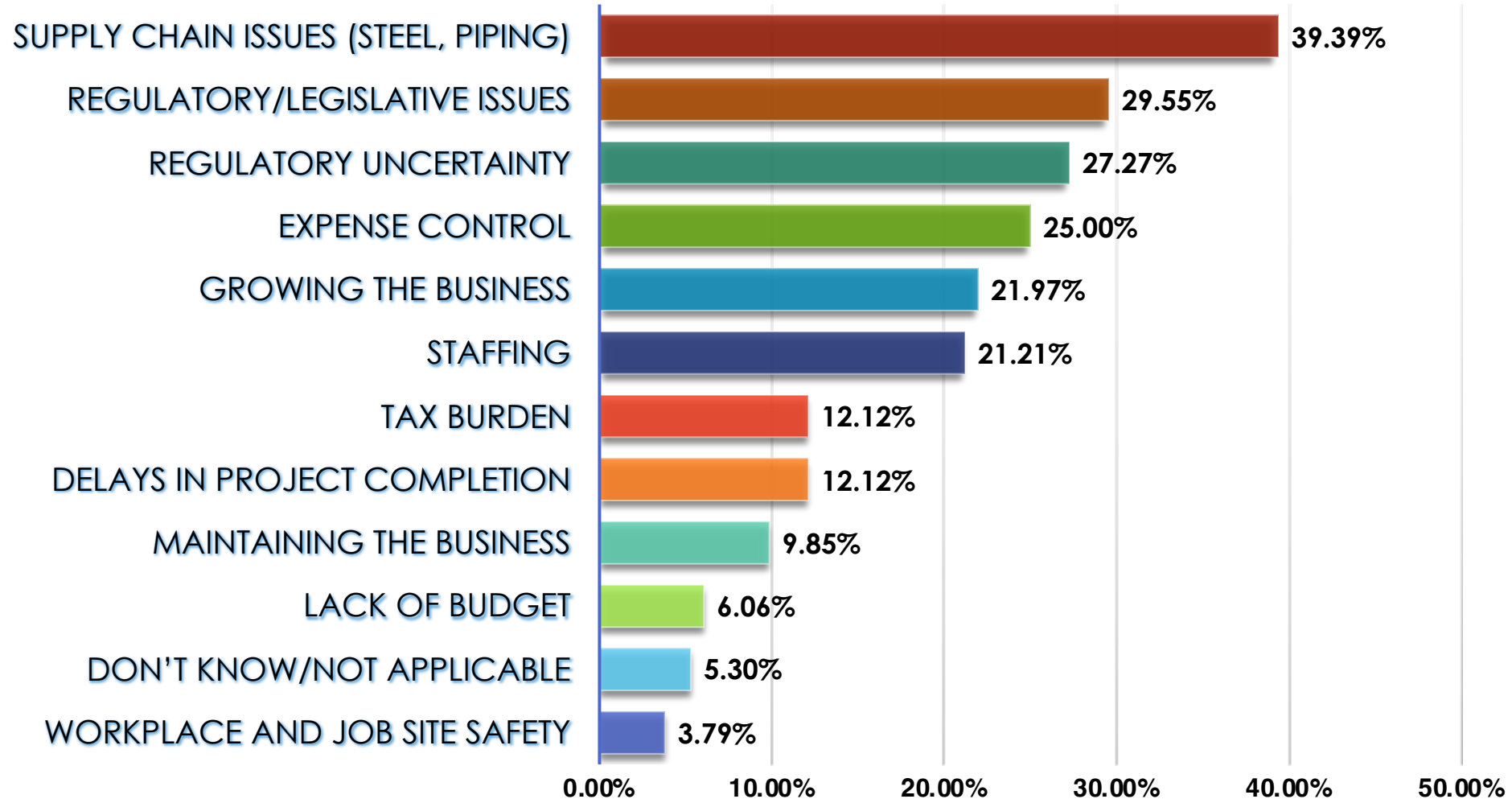
How well do federal legislators understand the oil and gas industry? (Scale of 0 to 5)



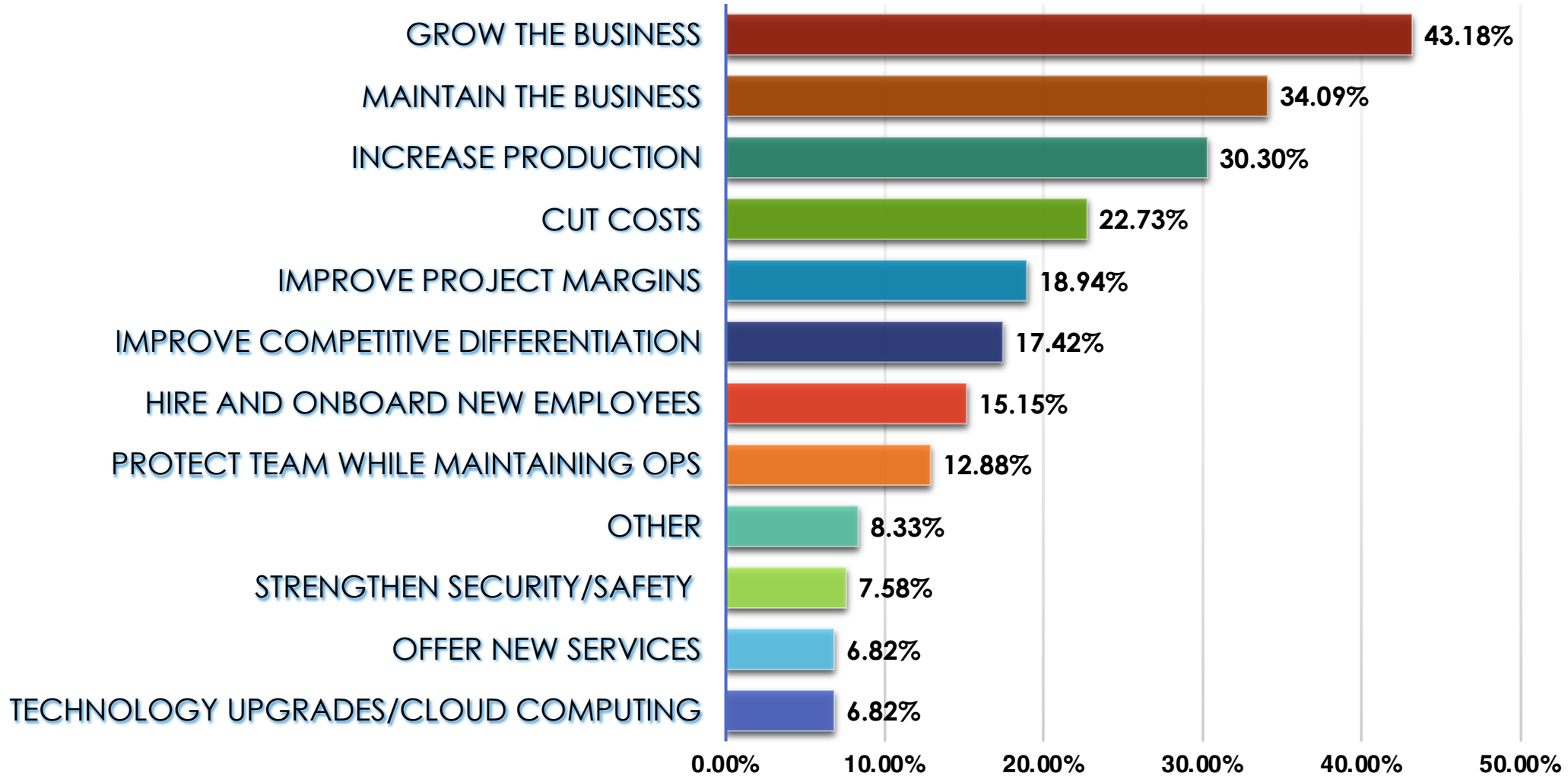
What are your biggest macro concerns/threats in 2023?



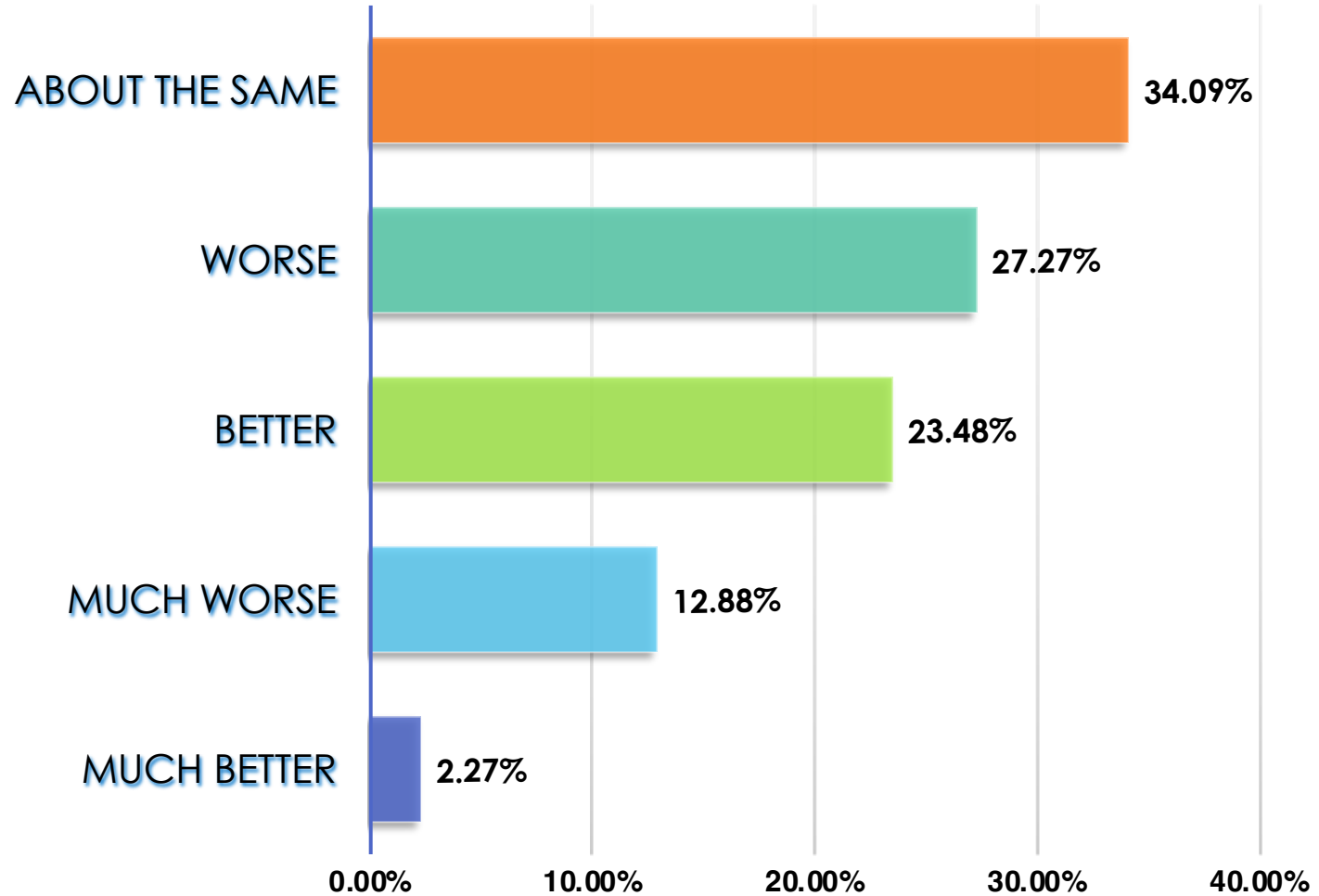
What are your biggest business challenges in 2023?



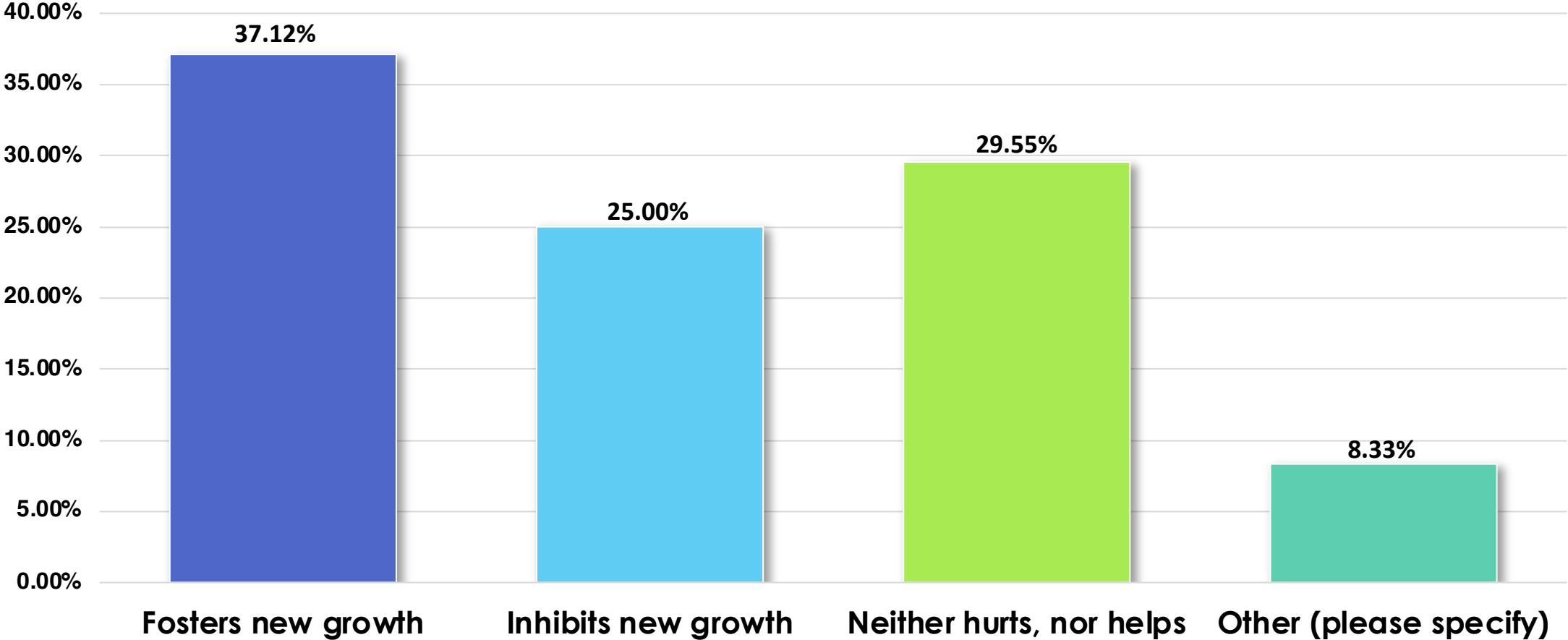
What are your biggest priorities in 2023?



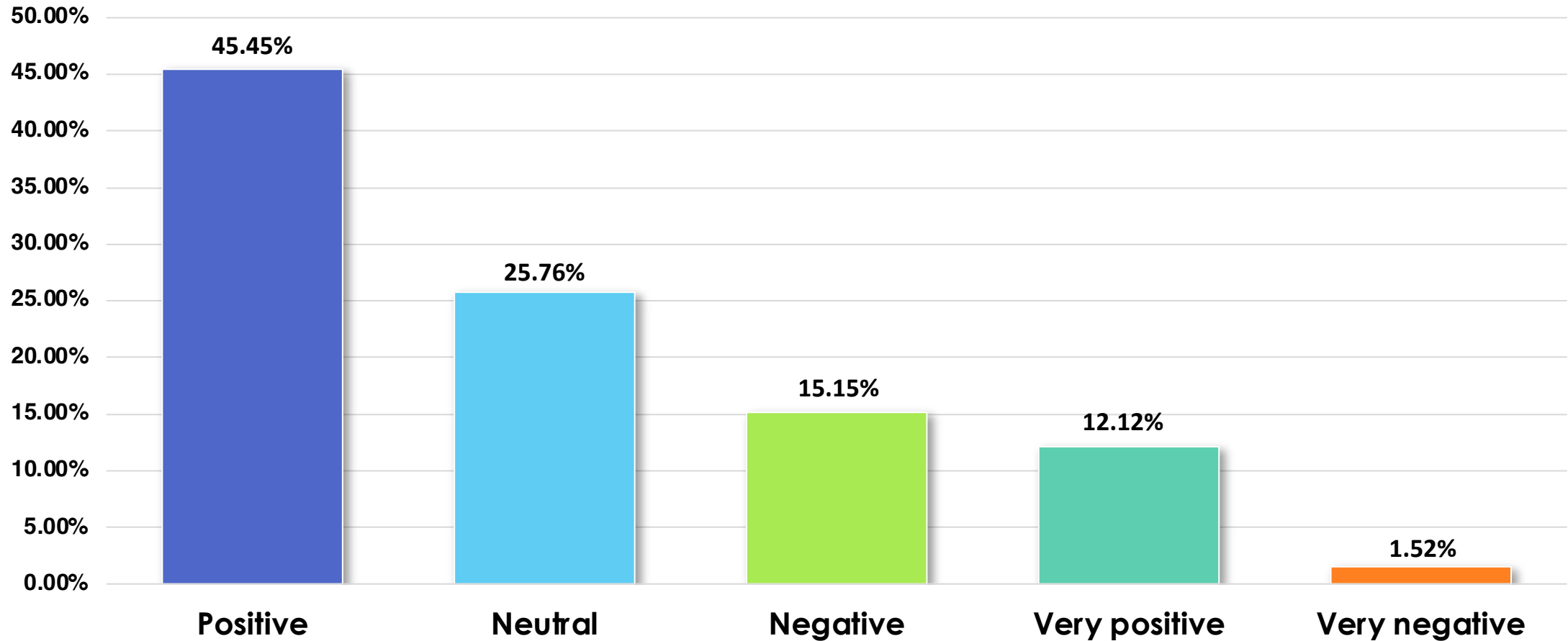
Has public perception of American oil & natural gas gotten better or worse over the past year?



How does the current Texas regulatory environment affect business development?



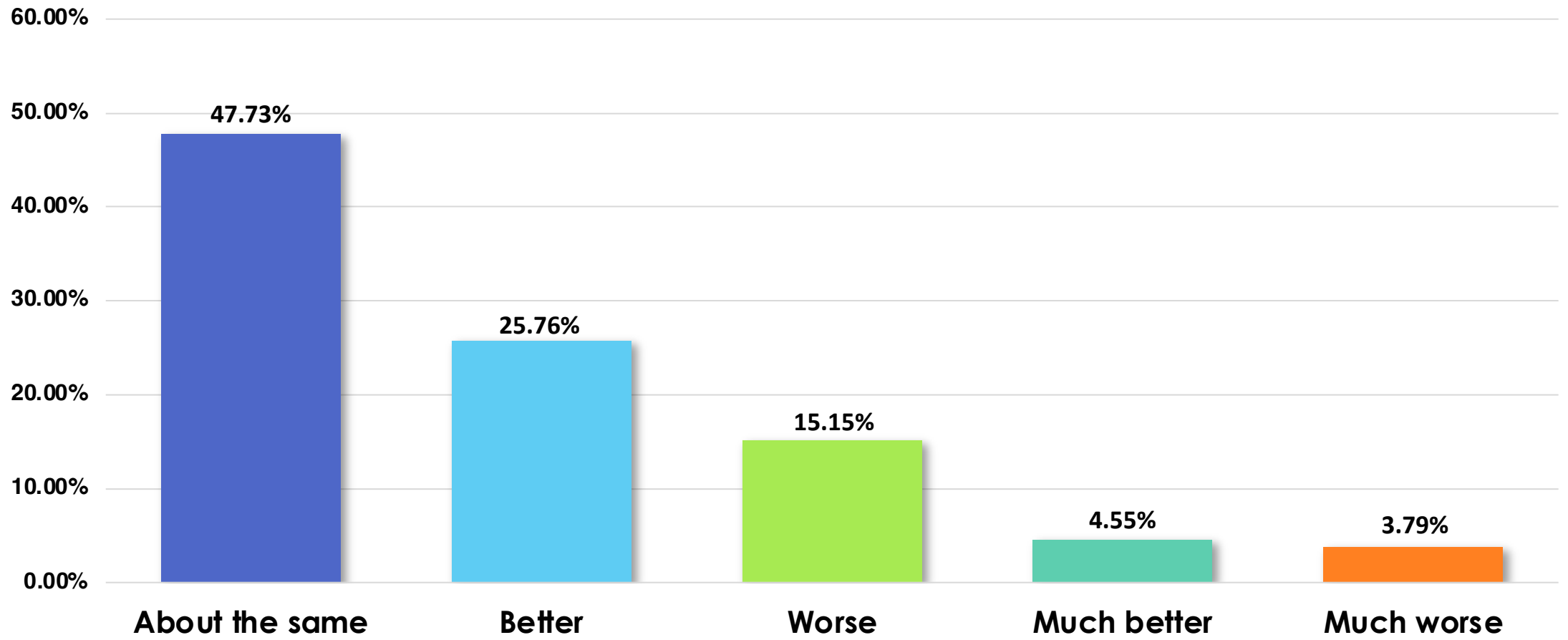
What is your business outlook for 2023?



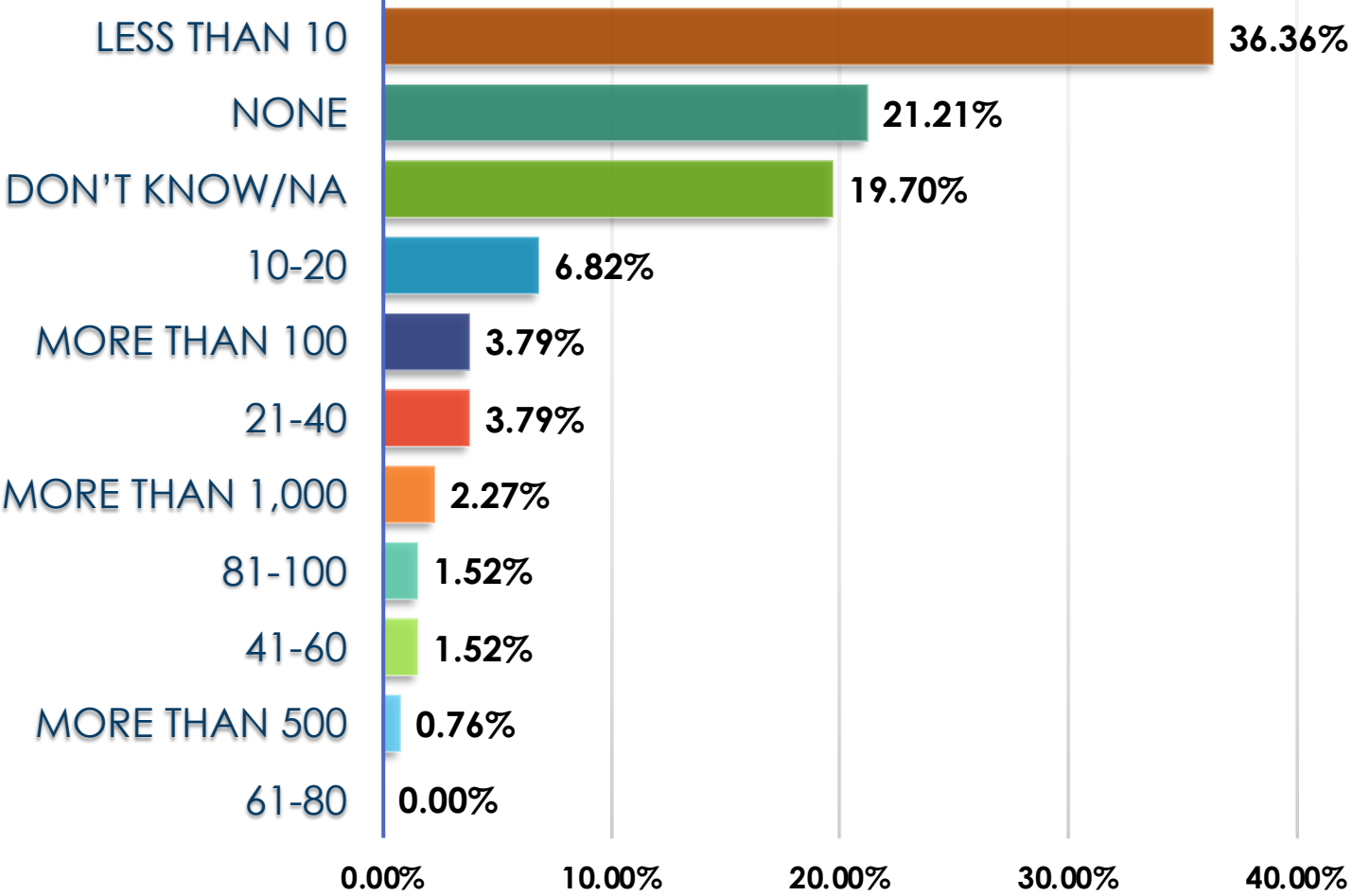
2023 Pulse of the Oil Patch Survey
Texas Alliance of Energy Producers



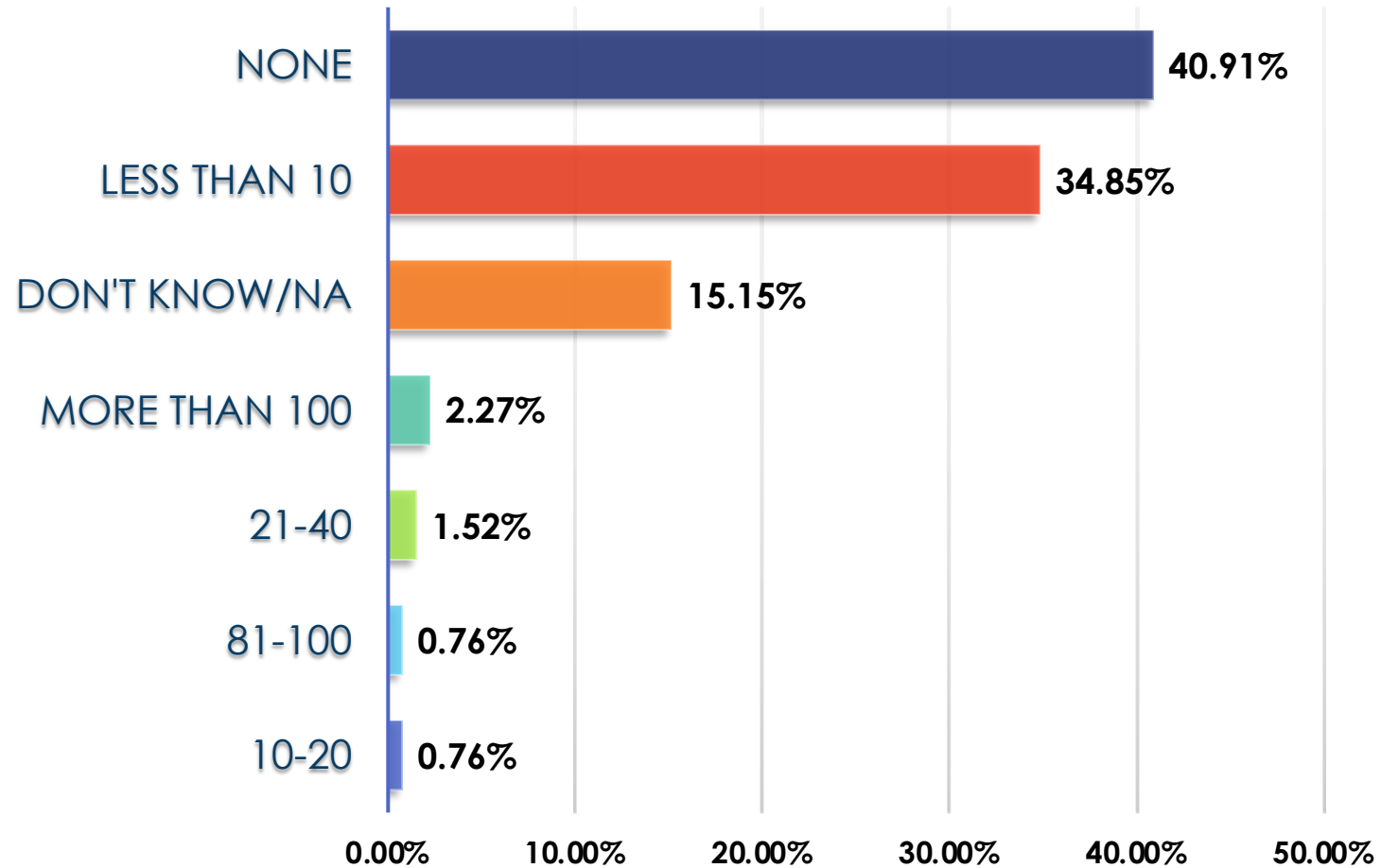
Where do you see the oil and gas industry one year from now?



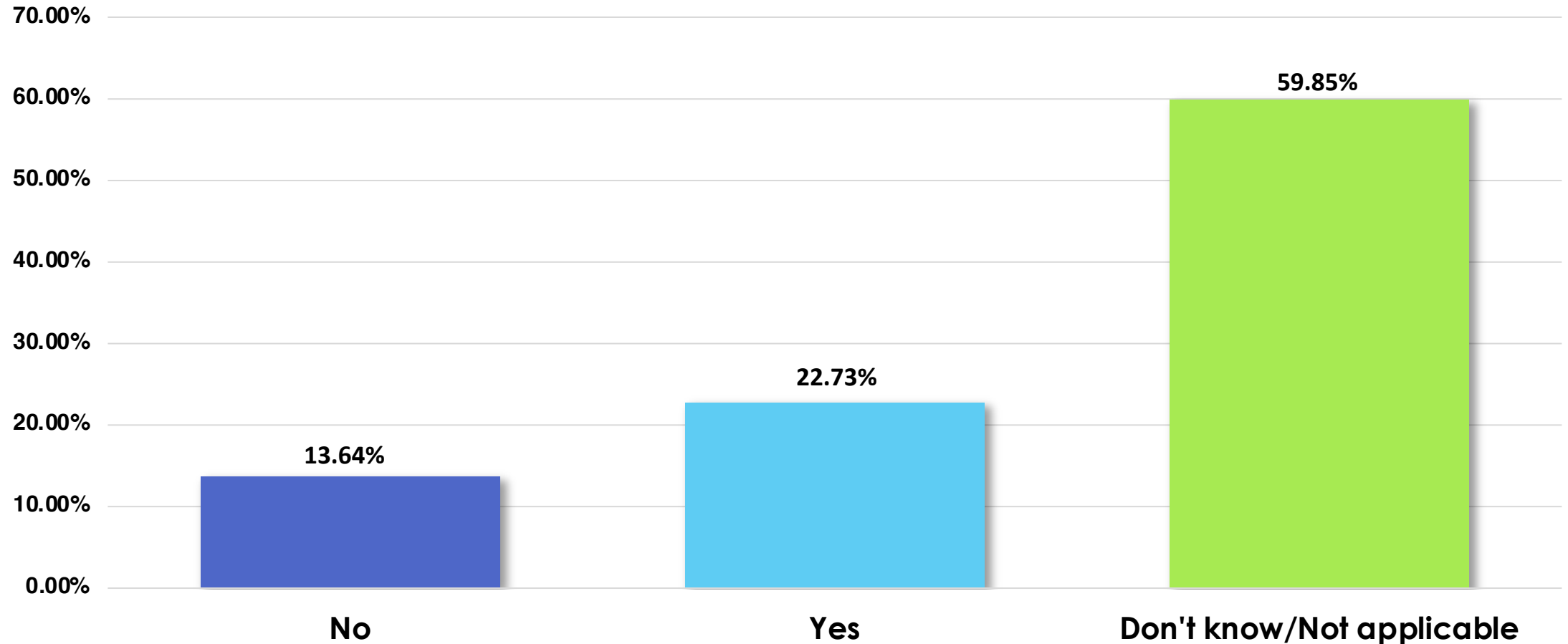
How many employees did your company hire in the last year?



How many employees have been laid off by your company in the last year?



Does your company plan to increase drilling in 2023?



How can the industry better promote its benefits to the public? (Open-ended question)

- ▶ “Train everyone who works in the O&G industry that they are spokesmen representing the industry for good or bad with every phone call, letter, email, conversation, and action.”
- ▶ “Utilize ad time on streaming services to educate viewers on o/g industry’s importance to US and world economy.”
- ▶ “Continue to educate how much oil and gas is a part of our daily fabric of living.”
- ▶ “Explain in more detail the financial risk involved in exploring for oil and gas.”
- ▶ “Continue to note the amount of tax revenue that supports local governments and schools, and our state and nation.”

What is one thing the State of Texas can do to improve the oil and gas industry? (Open-ended question)

- ▶ “Push back on federal regulations and policy.”
- ▶ “We could do a better job talking about ALL the good things oil and gas is doing for the state, country, and world.”
- ▶ “Continue to encourage new development of oil and gas resources.”
- ▶ “Streamline the permitting process for new drills and pipelines.”
- ▶ “Enforce environmentally sound and cost effective recycling and disposal of produced water.”

About the Survey

- ▶ More than 130 oil and gas professionals responded to a web-based survey between Jan. 18 and Feb. 13, 2023. Responses were solicited via social media and direct e-mails from Alliance and third-party databases.
- ▶ 75% of the respondents are based in Texas, with the rest representing 14 states.
- ▶ 40% of the respondents work for independent producers, with professional service providers and energy service companies at 15% each.
- ▶ Nearly half of respondents are an owner or executive.
- ▶ 57% have between one and ten employees