TEXAS LAND & MINERAL OWNERS ASSOCIATION

# QUARTERLY NEWSLETTER

VOLUME 23, NUMBER 1



UPDATE FROM THE EXECUTIVE DIRECTOR TEXAS SUPREME COURT RULES IN FAVOR OF MINERAL OWNER - TWICE! ILMA OUTSTANDING MEMBERSHIP RECRUITMENT AWARD 2024-2025 RRC APPROPRIATIONS UPCOMING DATES OF INTEREST 2023-2024 TLMA LEADERSHIP 2023 LEGISLATIVE UPDATE

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EXECUTIVE DIRECTOR

Jennifer Bremer

#### UPDATE FROM THE EXECUTIVE DIRECTOR

TLMA Members—

It has been a fast and furious 2023!

The legislative session got off to what seemed to be a slow start, but once it started moving, it hasn't stopped. This year, due to the relationships we have spent years building, we were informed of many of the bills that would be filed and impact you, our members prior to the start of session. We are on the uphill climb of the end of the legisla-

tive session. In less than a month, major deadlines start hitting by the day. We'll finish the legislative session on Memorial Day, May 29. This year, TLMA did not bring forth any bills to pass. We have been working to protect your rights with fellow industry representatives and associations on many of their efforts. We are thankful for their partnerships. Issues we have worked on are carbon sequestration, geothermal energy, brine mining, and well plugging. It has been a session of learning new topics.



I think this is telling of the bountiful opportunities for land and mineral owners that are on the horizon. Many of these energies have been in Texas, but not to the extent that these bills would promote.

Following the legislative session, I'll be on the road. In July, I'll be at the NARO-TX Convention and the Texas A&M Beef Cattle Short Course.

I am so excited to be planning consecutive in-person statewide members meetings! Our meeting is always a great time and it is so wonderful to see you all. Last year, we almost filled the room at the McNay Art Museum. I hope that we will max out our attendance this year! Please mark your calendars for Thursday, October 5 in San Antonio.

Opportunities for sponsorships and exhibitors follow later in the newsletter.

In addition to seeing each other, the Statewide Members Meeting is an opportunity to invite members to join TLMA. I hope that you will bring a friend and show them the importance of what we do!

I am extremely thankful for your continued support of our association and efforts. We couldn't do it without all of you.

Jour

## **TEXAS SUPREME COURT RULES IN FAVOR OF MINERAL OWNER—TWICE!**

Earlier this year, the Texas Supreme Court ruled in favor of the mineral owner in both the *Van Dyke* and *Sheppard* cases.

In *VanDyke v. Navigator*, the dispute concerned whether a 1924 deed reserving "one-half of oneeighth" of the mineral estate reserved a 1/2 interest or a 1/16 interest. The court of appeals affirmed the trial court's ruling, holding that the deed unambiguously conveyed 15/16 of the mineral estate to the White parties and that the presumed-grant doctrine did not apply. The Supreme Court reversed the judgment of the court of appeals and remanded to the trial court for further proceedings that will lead to a final judgment. A motion for rehearing has been filed.

The TLMA amicus brief urged the Court to reverse the Court of Appeals decision for the impact the decision on the presumed-grant doctrine would have on mineral title issues that have been settled for years.

*Devon v. Sheppard* is yet another post production cost case. As the Court's opinion states, "landowners and producers are characteristically at odds over the allocation of postproduction costs." The Sheppard's lease contains atypical clauses regarding post production costs, but the Supreme Court found that the language negotiated must be honored.

The TLMA amicus brief urged the Court to affirm the court of appeals decision, which correctly analyzed a straight-forward "Add-To" oil and gas lease royalty clause.

The complete amicus briefs filed by TLMA can be found on the TLMA website or the Supreme Court case documents.

## TLMA OUTSTANDING MEMBERSHIP RECRUITMENT AWARD

The Membership Recruitment Award honors those who have taken an active role in introducing other land and mineral owners to TLMA and helping to bring new members to the association.

This year, we are proud to announce that Mrs. Mary Ann Menning is the 2022 Outstanding Membership Recruitment Award Winner. Mrs. Menning and her husband, Lee Roy, have been members of TLMA since 2000—some of the very first TLMA members!

Mrs. Menning constantly encourages individuals to join TLMA and stresses the importance of the work that we do. Mrs. Menning is notorious for gifting memberships to individuals she knows benefits from our work, but won't take the leap to join.

I look forward to seeing Mr. and Mrs. Menning every year at the Members Cocktail Reception and the Statewide Members Meeting.

I am extremely thankful for Mrs. Menning's support and encouragement!

Visit our website to view a list of previous winners!

## FOLLOW US!



Texas Land & Mineral Owners Association



## 2024-2025 RRC APPROPRIATIONS

The one bill that must pass during a legislative session is the biennial budget. During the 87th Legislative Session, the RRC was appropriated just over \$144 million and \$136 million, respectively, for the 2022-2023 biennium. In 2021, \$55 million and \$56 million was appropriated for the State Managed Well Plugging Program for 2022-2023.

A chart below shows the proposed amounts for the 2024-2025 biennium. The LAR (Legislative Appropriations Request) is the amount the RRC asked the legislature to appropriate to the agency. In 2022, Texas received over \$300 million from the federal government through the IIJA for the State Managed Well Plugging Program (SMP) which is why the funds are significantly higher than in the previous biennium.

	2024				2025			
	All Funds		SMP		All Funds		SMP	
LAR	\$	230,136,616	\$	126,606,023	\$	222,578,716	\$	125,950,234
House	\$	246,650,015	\$	126,033,913	\$	238,682,158	\$	126,582,501
Senate	\$	232,559,259	\$	125,693,860	\$	230,203,774	\$	126,276,592

These amounts are fluid as the bill continues to move through the legislative process.

# **UPCOMING DATES OF INTEREST**

Tuesday, April 25—RRC Open Meeting Wednesday, May 17—RRC Open Meeting Monday, May 29—Final Day of 88th Legislative Session Tuesday, June 13—RRC Open Meeting July 26-29, 2023—NARO Texas Convention, San Antonio Wednesday, October 4, 2023—TLMA Members Cocktail Reception Thursday, October 5, 2023—TLMA Statewide Member's Meeting

Mondays at 8 am—Senate Ag Water and Rural Affairs Committee Hearings

Mondays at 2 pm—House Energy Resources Committee Hearings

Wednesdays at 8 am—House Ag and Livestock Committee Hearings

Wednesdays at 9 am—Senate Natural Resources and Economic Development Committee Hearings

The 88th Texas Legislature End of Session Deadline Calendar is available on the TLMA website.

Have an event we should share with our membership? Please email execdir@tlma.org.

All legislative hearings are available to be livestreamed at https:// house.texas.gov/video-audio/ and https://senate.texas.gov/avlive.php. Railroad Commission Open Meetings can be streamed at https://www.adminmonitor.com/tx/rrc/open\_meeting/.



## 2023—2024 TLMA BOARD OF DIRECTORS

During the 2022 TLMA Statewide Members Meeting, the following individuals were elected to serve a two-year term on the Board of Directors. Their term began on January 1, 2023 and will end December 31, 2024.

Chairman James C. "Jimmy" Broussard, Beaumont Vice-Chair and Chairman-Elect Thomas H. "Tom" Daniel, Austin Treasurer E.O. "Trey" Scott, III, San Antonio John D. Alexander, Jr., San Antonio Carolyn Frost Keenan, Houston Kimberley K. McTee, San Antonio Barry Coates Roberts, San Antonio Lorin Runnels, San Antonio James P. "Rick" Walker, Mirando City R. Neal Wilkins, San Antonio

Mr. Broussard's term as Chairman will end on December 31, 2023.

#### 2023—2024 TLMA HONORARY AND ADVISORY DIRECTORS

In January at the first quarter TLMA Board of Directors meeting, the Board of Directors approved a slate of Honorary and Advisory Directors. Honorary Directors are previous Directors of TLMA. They serve a two-year term, but are not subject to term limits. The Honorary Directors for 2021-2022 are:

The Honorable Dolph Briscoe*	J. A. Whittenburg, III*
Jack Hunt	Roger Welder
The Honorable Cullen Looney	Doug Beveridge
Chaunce Thompson, Jr. *	Morgan Dunn O'Connor
Scott Petty, Jr.	Lica Pinkston
George Tanner*	

The TLMA Board of Directors also approved the following individuals to be Advisory Directors: These individuals contribute a wealth of knowledge in their areas of expertise that the success of TLMA's advocacy efforts can be attributed to. The Advisory Directors also serve a two-year term and are not subject to term limits.

Joseph B.C. Fitzsimons	John B. McFarland
Howard P. Newton	George J. Person
Dr. Kitty-Sue Quinn	

We are incredibly grateful for these individuals continued contributions to the Association and our mission.

# 2023-2024 DISTRICT REPRESENTATIVES

The TLMA Board of Directors approved the following individuals to serve as District Representatives. Their two year term began on January 1 and will end December 31, 2024.

> Dr. John S. Baen, Dallas Clay C. Cash, Lubbock Leslie el-Effendi, Dallas Amy Stieren, San Antonio

# 2023 LEGISLATIVE SESSION UPDATE

We are approximately two-thirds complete with the 88th legislative session! The 140 days are a marathon full of sprints, always working to beat the next deadline. As mentioned in earlier communications, March 10 was the first major deadline—the filing deadline for all bills other than local bills. What's a local bill? It is a bill without statewide impact. For example, a bill creating a municipal utility district would qualify as a local bill. I have posted the end of session deadline calendar on our website.

After the filing deadline, one thing was clear—records are made to be broken. For the first time, the House of Representatives filed over 5,000 bills. In total, 8,217 bills and joint resolutions were filed - 5,537 House and 2,680 Senate.

All bills are continuing to move through the process, although bills will begin to "die" quickly in the coming days. The committee process is the current focus as the next major deadline—bills being reported out of committee is less than one month away (May 8). Early May is when there are daily deadlines, truly making every minute critical.

Earlier in session, the Governor, Lt. Governor, and Speaker announced their priorities.

Governor Abbott announced the following seven items as emergency items: cutting property taxes, ending COVID restrictions forever, educational freedom (school vouchers), school safety, ending revolving door bail, securing the border, and ending the fentanyl crisis.

The House passed a historic budget in early April. The debate, or lack thereof, was a much different pace than any budget debates I've seen—largely due to the historic surplus and financial position of the state. Budget amendments are required to be prefiled. There were 388 amendments prefiled and at the beginning of the debate almost half were withdrawn or moved to Article 11. The Senate will debate the budget in mid-April and then the conference committee work will begin.

TLMA is closely monitoring and advocating on bills relating to carbon sequestration, geothermal energy, incentives for oil and gas operators, foreign ownership of land, solutions to the inactive and abandoned well problem. Additionally, we monitor every bill that goes through the House Energy and Senate Natural Resources and Economic Development committees.

A full list of the bills TLMA is tracking is available on our website.

# 2023 STATEWIDE MEMBERS MEETING

This fall, the Texas Land & Mineral Owners Association will return to the McNay Art Museum for the 2023 Statewide Members Meeting on Thursday, October 5, 2023. As in years past, the day will be filled with phenomenal expert speakers and fellowship with other land and mineral owners from across the state.

# **Registration is open online!**

If you prefer to complete the paper registration form, it is also available online or the form will be included in the summer and fall quarterly newsletters.

#### **Sponsorships and Exhibitor Opportunities**

An unlimited amount of sponsorships are available, but if you would like to sponsor a certain part of the meeting, please email execdir@tlma.org. Some options include a meal sponsorship, educational sponsorship, and title sponsor.

Sponsorships of the meeting include complimentary registrations and various recognitions in print and electronic formats. Sponsorships for the meeting begin at \$500.

*Exhibitor spaces are limited.* They are available to the previous meetings exhibitors first, and will open to new exhibitors June 1, if available.

#### Agenda

As in years past, the meeting will include a legislative update and an update from the executive director. If you have a topic you'd like addressed or have a suggested speaker, please email any ideas to Jennifer Bremer at execdir@tlma.org for consideration.

#### **Cocktail Reception**

The cocktail reception will be held on Wednesday, October 4 and is available by invitation only. To ensure you receive an invitation, you must be a member at the Concerned Citizen Level or higher. Memberships must be in place by August 9.





Texas Land & Mineral Owners Association 1005 Congress Avenue, Suite 360 Austin, TX 78701



Don't forget!

# TLMA Membership Information Form

I would like to join TLMA 🛛 🗌 I am a member, please update my contact info Please return to: TLMA, 1005 Congress Ave., Suite 360, Austin, TX 78701 If your contact information

Name		The sure to update
Organization/Ranch Name		TLMA and avoid delays in receiving your newsletters, renewal notices, and other correspondence.
Address		· ·
City	_ State Zip	To change your address or any other membership information, contact Robbie
Telephone Number		Querner at (512) 479-5000,
		mail in this form, or log in to
Email Address		your membership account
Referred by		online at www.tlma.org.

Find more information, join TLMA, or renew your membership online at www.tlma.org