

Oil & Natural Gas Builds Texas



**OIL & NATURAL GAS
PRODUCING STATE**

FRACKING MAKES US
LESS DEPENDENT
ON OTHER COUNTRIES.
U.S. NET OIL IMPORTS ARE AT A 30-YEAR LOW.

400,000+
DIRECT JOBS IN TEXAS

570,000+
TEXAS ROYALTY OWNERS

TEXAS INVESTED
\$2 BILLION
IN WATER PROJECTS USING OIL &
NATURAL GAS TAX REVENUE.

OIL & NATURAL GAS COMPANIES PAID
\$98.9 BILLION

in state and local taxes and state royalties from 2007
through 2015. This revenue directly funds our
public education, roads and essential services.

OIL AND NATURAL GAS IN TEXAS

A Joint Association Education Message

FROM THE TEXAS OIL AND NATURAL GAS INDUSTRY

*Fracking is safe and
keeps America secure.*



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**GET THE
FACTS**

OIL & NATURAL GAS BUILDS TEXAS

WHAT IS FRACKING?

WHO REGULATES OIL & NATURAL GAS?

WHO DO I CALL WITH QUESTIONS?

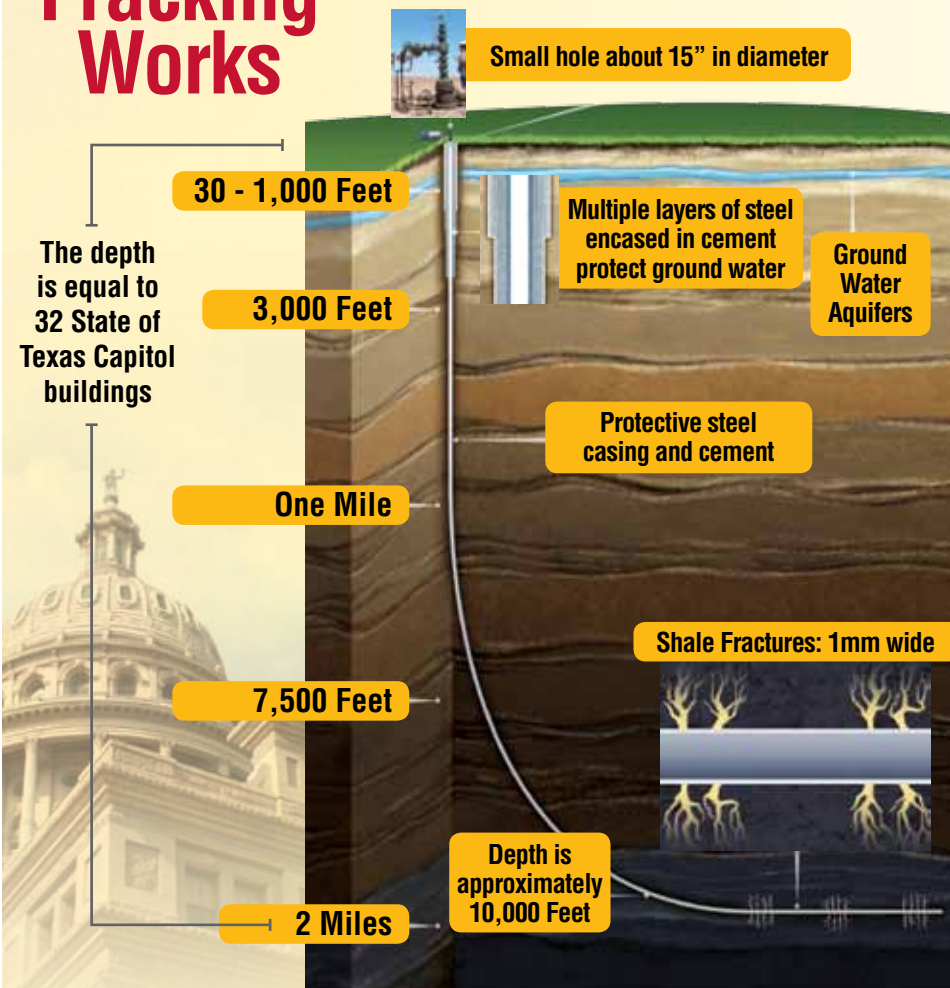


What is Fracking?

Fracking is a proven well stimulation technique that has been used for more than 60 years for more than one million oil and natural wells in the U.S. Advances in horizontal drilling and fracking technology now allow operators to produce trapped oil and natural gas that was once considered unreachable. Fracking has been continuously refined over decades to be even more effective.

Fracking is one of many steps in the process of producing oil and natural gas and typically lasts about 3 to 5 days.

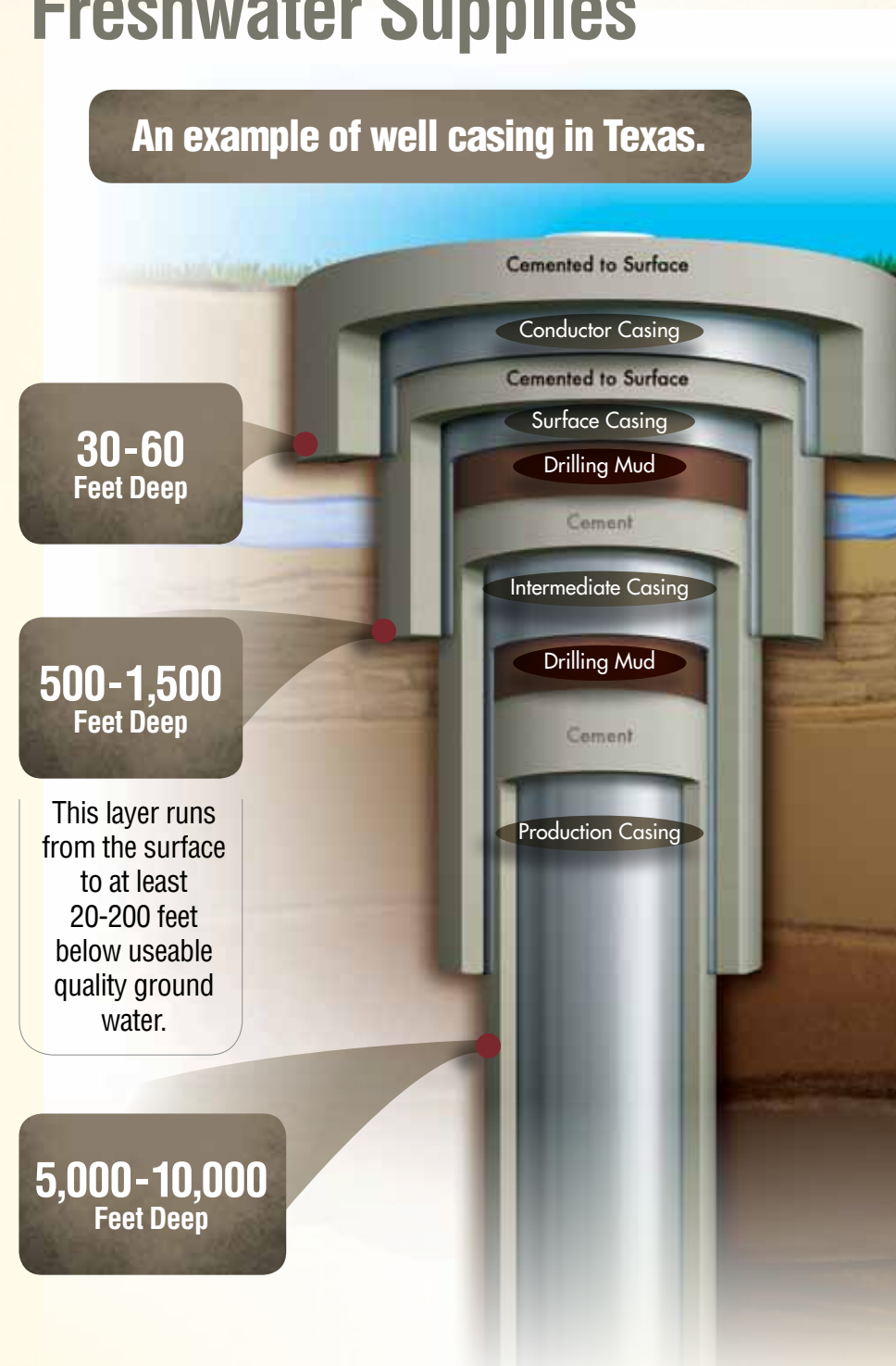
How Fracking Works



Fracking occurs generally a mile or more underground, thousands of feet below freshwater supplies. With safety systems of steel casing (pipe) and cement in place, operators drill down vertically thousands of feet, then drill horizontally into the targeted rock formation. A mixture of pressurized water, sand and a specifically-formulated fracturing compound is pumped down into the formation to create millimeter-thick fissures that free the trapped oil or natural gas. In Texas, the fracturing compound is typically 99.5% water and sand and 0.5% additives. Sand props open the fractures to facilitate the flow of oil and natural gas.

Well Construction Protects Freshwater Supplies

An example of well casing in Texas.



Wells are required by law to be constructed with multiple layers of steel casing (pipe) and cement to protect water supplies.

Who Regulates Oil & Natural Gas Production?

Current law affirms the state has sole responsibility, under state agencies such as the Railroad Commission of Texas (**RRC**) and the Texas Commission on Environmental Quality (**TCEQ**), to establish standards and enforce regulations for all oil and natural gas activities, including exploration and production.

The **RRC** oversees all aspects of drilling activity such as well spacing, well design including depth of casing and cement, groundwater protection during drilling and completion, water protection, wastewater handling and disposal and operational and public safety.

TCEQ's primary role relates to control of air emissions, control of water quality and consistency in regulations related to public health and safety.

State law provides cities with authority to reasonably regulate aboveground activity related to oil and natural gas operations like setbacks from other structures, traffic, emergency response and noise.

Who do I call if I have a question about oil and natural gas production in my area?

Texas Railroad Commission:

RRC general phone numbers:

Toll free: (877) 228-5740

(512) 463-7158

RRC emergency numbers:

Toll free: (844) 773-0305

(512) 463-6788

Oil and Natural Gas line:

(512) 463-6838

Or visit

www.rrc.state.tx.us

Texas Commission on Environmental Quality:

Main switchboard:

(512) 239-1000

Office of Compliance and Enforcement:

Main line:

(512) 239-5100

Or visit

www.tceq.state.tx.us

If you have questions about aboveground or surface activity related to oil and natural gas operations, such as traffic, lights and noise, contact your local officials.