

From the Executive Director's Chair



From your soggy NARO office (20 days straight with rain in Tulsa), we have a couple of items to pass along. We have been receiving a lot of calls for Congressional contact information. This is great, but means you may get a recording when you call. Please

be patient and leave a message. We will get back to you as soon as possible. Next, for those of you with membership renewal dates in February, we had some sort of “snafu” and most did not receive the notice. We have re-sent, and looks like most have responded. As usual, we will be calling before we “expire” anyone. Sorry for any confusion.

Also, please remember NARO is an educational/advocacy organization. We, NARO staff, board members, message board posters and regular members, do not and cannot provide you with tax or legal advice. We all do our best to answer questions and be of assistance to fellow members (and non-members) but if you read a ROAR article or message board post, or see a presentation at a NARO event, it is your responsibility to understand that the details may be different -- or not apply to you -- and only you are responsible for your mineral/royalty income, taxes, lease agreements, record keeping . . . and on and on.

You recently received a memo from NARO President Jeff Miller asking you to contact Congress again. Please do

this! I cannot tell you how important it is! Do not assume someone else will take care of this for you or that this is not really an important issue. It is not just your percentage depletion at risk, but quite possibly the survival of the independent oil and gas producer in this country. If you don't believe me, look, in the box below, at what the Texas Alliance of Energy Producers estimates could result.

So, this is as serious as it can get. If you thought the Windfall Profits Tax was bad news, just let this happen.

I have one personal observation in all of this that really turns my stomach -- and no, I am not naive. For whatever reasons, the domestic oil and gas industry has become a Republican issue just as environmental issues are now Democratic . . . What? How about those of us who believe our government (local, state, federal) are there to serve us and make decisions on our behalf and for the larger good?

Why are issues as important and fundamental as having clean air and water and abundant, reasonably priced energy turned into political tools to punish “the other side”? We need someone, somehow, to call a halt to this nonsense and have those making policy that affects real people's lives make those decisions based on science, economics, social aspects and overall impact(s) to the citizens of this country -- not because of party politics or interest group pressure.

Negative Economic Impact 2010 Federal Budget Proposals

	<u>National</u>	<u>Texas</u>
Drilling Rig Count (April 17, 2009)	975	384
Drilling Rig Count in 12 months if passed	480	190
Crude Oil Production (000,000 bbls 2007)	1,800	397
Crude Oil Plugged 2009 to 2012 (000,000)	735	161
Increase in imported oil (\$50/bbl)	\$36,750,000,000	
Loss in oil production tax (Texas:2008-2012)	\$919,000,000	
Natural gas production (trillion cubic feet 2007)	26.0	7.4
Natural gas plugged (tcf 2009-2012)	19.5	5.6
Loss in gas production tax (Texas: 2008-2012)	\$2,026,000,000	
Employment (Oil & gas extraction and service 2008)	221,200	
Employment (2012)	150,000	