

A Message From Our President

Dear Current and Prospective Members of IPANM,

New Mexico continues to be in a state in transition. The results of the last election cycle brought new leaders and a switch of political party control to New Mexico. There are swift and dramatic actions underway that will change the way our industry does business in the years ahead.

IPANM is on the frontline of this transition. In the face of anti-industry rhetoric, IPANM fights to protect, defend and promote independent producers and our industry as a whole. We educate and influence elected leaders to recognize the many benefits of Oil & Gas in New Mexico. We share the unique stories, positive attributes, and social contributions of independents to our surrounding communities. We highlight industry-led, technological breakthroughs that reduce emissions and protect the environment. Finally, we point to billion-dollar state budget surpluses that come as a result of our industry's record production.

This booklet provides an overview of all of the services we provide to our members. Please take a few minutes to review the information. Please feel free to share it with your colleagues within industry. We are eager to bring new independents into our association. Likewise, if you have more than three potential individual members in your company, an investment in a corporate membership allows you to add up to 20 people to our association.

For those interested in joining, please log onto our brand-new website, www. ipanm.org and click on "Join Us!"

Thank you for your ongoing support of IPANM.

Highest Regards-





Protect, Defend, Promote

At IPANM, we advance and preserve the interests of independent oil and gas producers while educating the public to the importance of oil and gas to the state and all our lives.



The Independent Petroleum Association of New Mexico was formed in 1978 by a concerned group of New Mexico independent oil and natural gas producers. In the spirit of this tradition, IPANM continues to grow and provide the services that protect, defend, and promote the industry that is the very foundation of our way of life.

Primary Goals of IPANM

- · Educate the public about the benefits provided by our industry
- Monitor industry issues on the state and national levels and get involved when necessary
- Provide industry updates, technical education and networking opportunities
- Challenge anti-industry groups who seek to intentionally deceive the public



Member Services

IPANM Annual Meeting - The IPANM Annual Meeting is a perfect opportunity to network with other top decision-makers in the industry in New Mexico. Timely and informative sessions!

Media Outreach - IPANM promotes the many positive aspects of industry, including state revenues, job creation and environmental stewardship. Likewise, when the anti-industry folks make false allegations, IPANM steps up and sets the record straight.

Digital Engagement – Social media (Facebook) and a strong web presence is a centerpiece of IPANM's communication strategy. Our website (www. ipanm.org) is the up-to-date New Mexico resource for independents, with information for outside readers and members-only content.

Email Alerts - When information is important, IPANM issues email alerts exclusively to our members. More information on the subject is linked to the "Members Only" section of our website.

Legislative Monitoring - IPANM monitors all proposed legislation in the State of New Mexico and actively lobbies on behalf of the interest of independent producers on all bills impacting industry.

Regulatory Engagement - IPANM works with government agencies and maintains productive relationships with leaders to achieve policies that are both business-friendly and environmentally responsible.

Legal Representation - When necessary, IPANM will pursue legal action in extreme cases where satisfactory compromises cannot be reached. While other associations shy away from litigation, IPANM holds firm and follows through to the end.

Rulemaking Hearings - IPANM insists on specific representation for independents during rulemaking. We push hard to ensure new rules will not impact the bottom-line of our members. If we know rulemaking decisions will not go our way, we still testify to get our technical positions on record to set up future legal action if necessary.

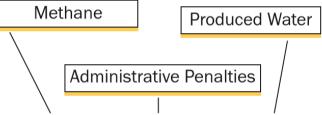
Independent

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We stand committed to the independent oil and gas producers of New Mexico

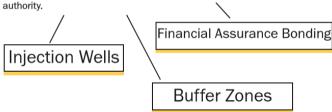
The Voice of the Independents: IPANM recognizes that from time to time, the needs of the independent producers differ from the majors. That is why we were formed in the first place. We approach everything we do in consideration of the independent oil and natural gas producers.

Strategically Independent: IPANM is not afraid to stand up for smaller operators, even when other industry-friendly associations take different strategic positions on issues.



IPANM brings 'Voice of Independents' to rulemaking hearings

IPANM strongly believes that Independent Producers need to have their own seat at the table when regulations are drafted and presented for rulemaking hearings. For this reason, IPANM participates independently in New Mexico state rulemaking hearings, including many of the recent or future hearings highlighted here. IPANM's involvement in the past has led to recent improvements for the financial assurance bonding, horizontal drilling, injection well disposal and spill rules. IPANM will be a legal party to planned rulemaking hearings for methane, produced water and administrative penalty authority.



Cooperative

We will always be independent, but we recognize our friends are not our enemies.

A Cooperative Approach: While our association prides itself on its muchneeded independent voice, it shouldn't come at a cost of alienating our friends. Several recent developments with IPANM's leadership illustrate a new, cooperative approach for the future:

 In 2018, IPANM reentered into a Memorandum of Understanding with NMOGA that spells out our strategic alliances when it comes to communication efforts and fighting for all of industry. These joint efforts have helped move the needle when it comes to public perception of oil & gas interests in New Mexico.

New Cooperative Results: IPANM and NMOGA are aligned on several current issues:



- Methane Our two associations are promoting new findings that indicate significant methane emission reductions in New Mexico due to industry technology. Likewise, our two groups are communicating positions and approaches regarding an anticipated rulemaking hearing for Methane emissions by the new state administration.
- Carlsbad Resource Management Plan Our two associations are working together with government leaders to push back against shared concerns over the first draft of the Carlsbad Resource Management Plan, which over emphasizes protections for threatened and endangered species like the Lesser Prairie Chicken (LPC), Desert Sand Lizard (DSL) and the Texas Hornshell Mussel. Both associations submitted separate federal comment letters on the initial draft, but emphasized similar industry-wide concerns.
- Hydraulic Fracturing Our two associations are collectively fighting back against misleading campaigns that connect oil and gas operations to water contamination. Shared research and statistics unequivocally prove that there have been no documented cases of groundwater contamination linked to hydraulic fracturing.

Four Key Priorities for IPANM in 2020



 Our Members Are Our Strongest Asset: With hundreds of years-worth of oil and gas experience, IPANM continues to engage our members to fight the challenges facing independents. IPANM continues a targeted recruiting campaign to bring more members into our association.



• The 2020 Legislative Session: The 2020 New Mexico Legislative Session is a 30-day session from Jan. 21 to Feb. 20, 2019. Members have direct access to our Executive Director throughout the session, including day visits. Come to hearings help support our industry!



Strategic Alliances: The entire Oil and Gas
Industry is under attack in New Mexico from
activists who want to put operators out of business.
IPANM continues to broker strategic alliances with
trade groups and associations to project our voices
into a much louder, industry-wide chorus.



• The Annual Meeting: IPANM hosts a vibrant Annual Meeting at Hotel Chaco in Albuquerque the third week of July. Recent participant feedback included 'Over the topl'; 'Relevant & accessible speakersl'; and 'Excellent networking due to workable size and comfortable setting!" Industry specific topics, plus golf and wine tasting!

Wildlife in The Oilfield Photo Contest

2019 Wildlife In the Oilfield Contest Winners!







The premise that man and nature cannot co-exist, that where man encroaches, wildlife scatters and dies out, is simply untrue. When the Alaskan pipeline was being built, environmentalists bemoaned the fate of the caribou saying the animals would suffer immensely. The exact opposite happened. In Prudhoe Bay, about 50 miles west of the Arctic National Wildlife Refuge, the number of caribou has quintupled since production began in early 1978. The caribou often use the oil field equipment and the adjoining Alaskan pipeline for a windbreak and warmth. Much of the year the temperature in this region is a frigid 40 degrees below zero.

In New Mexico oil fields, many species of wildlife use equipment in a productive manner. Birds will use elevated surfaces as foundations for nests. Deer, like caribou, use the equipment for a windbreak and warmth.

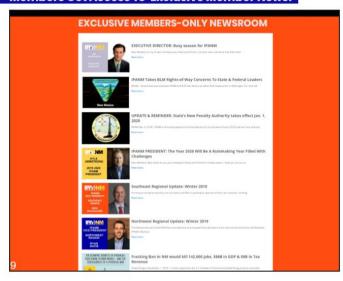
There is so much wildlife in the oilfield that in 2004 IPANM created a contest where oil field workers and others could win cash prizes for the best photo or video demonstrating wildlife adapting to man-made changes in their environment. Encourage your employees to submit photos! Information available at www.ipanm.org! Open to the public!

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IPANM's New Website: A Leading Industry Resource!



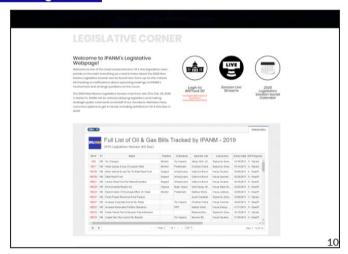
Members Get Access To Exclusive Member News!



Members Get Access To Exclusive Web Resources!



Members Get Access to IPANM Policy Positions & Talking Points!



Executive Board



Kyle Armstrong IPANM President President & CEO Armstrong Energy Corp.



Ryan Davis
IPANM Northwest Vice President
Production Engineer
Merrion Oil and Gas



John Thomas
IPANM Past President
Production and Asset Manager
Robert L. Bayless, Producer LLC



Nick McClelland IPANM Southeast Vice President Land Manager Manzano Energy Partners



Treasurer
Vice President
Strata Production Company

Elected Board Members

Northwest Region
John Alexander
John Bruner
Alex Campbell
Jerry Austin

Southeast Region Jared Hembree Ron Hillman Rory McMinn Out of State/At-Large Ed Lauer Dwane McQuitty Walter Glasgow Randall Hudson

Past President Board of Directors

Mitch Krakauskas Tommy Roberts Kevin McCord Larry Scott T. Greg Merrion John Thompson Tom Mullins Paul Thompson Mark Murphy Frank Yates Greg Nibert George Yates Glen Papp Richard Gilliland Robert G. Armstrong Dan Girand **Tucker Bayless** Frank Gorham III John Byrom Claire Chase

Historical Presidents

1979: Peyton Yates 2000: Frank Yates, Jr 1980: Dave Thomas, Jr. 2001: Frank Yates, Jr. 1981: William LeMay 2002: Tucker Bayless 1982: Robert L. Bayless 2003: Jeff Harvard 1983: Alan Antweil 2004: T. Greg Merrion 2005: Chuck Moran 1984: Albert R. Greer 1985: George M. Yates 2006: Paul Thompson 1986: Tom Dugan 2007: Johnny Knorr 1987: Donald Stevens 2008: John Byrom 1988: Fred Schlicher 2009: Larry Scott 1989: Tommy Roberts 2010: Robert G. Armstrong 1990: Joseph Kelly 2011: John Thompson 1991: Sylvia Little 2012: Greg Nibert 1992: Sylvia Little 2013: Gary Brink 1993: Dan Girand 2014: Richard Gilliland 1994: Dan Girand 2015: Glen Papp 1995: Kevin McCord 2016: Mitch Krakauskas 1996: Mark Murphy 2017: Tom Mullins 1997: Mark Murphy 2018: Claire Chase 1998: Frank Gorham III 2019: John Thomas 1999: Frank Gorham III

- Up to 1/3rd of IPANM's Elected Board Members turnover each year.
- Existing Board Members can seek reelection and/or interested members can seek a nomination.
- Potential board members are considered on the basis of willingness to actively participate in IPANM activities, events and issues.
- There are no financial requirements for board members other than active membership dues and IPANM does not discriminate board members selections based on membership type (Individual vs. Corporate).

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Membership Opportunities!



Join Us Now for Access to all of IPANM's Resources!

IPANM was founded in 1978 by a concerned group of New Mexico independent oil and natural gas producers, and the majority of our membership is still comprised of independents, both large and small.

However, we are not just an association for producers and operators. Drilling contractors, service and supply company owners and managers, and royalty owners also comprise a significant percentage of our membership. Other members are attorneys, accountants, and other professionals whose livelihood is tied directly to the ultimate success of the energy producing sector.

To join our association, go to ipanm.org and click on "Join Us"!



Dear IPANM Members and Prospective Members

I'm honored and proud to serve the 350+ members of IPANM as your Executive Director. Thanks to the hard work of our board and membership, IPANM is uniquely positioned to influence legislative leaders and the public on the importance of our industry!

Despite these good fortunes, we face a major regulatory paradigm shift in the Oil & Gas Industry in New Mexico. We have a newly-elected state administration that will bring both challenges and opportunities for our industry. Activist groups will apply political pressure to attack our success. Extreme environmental groups push certain uninformed and antagonistic legislators to introduce overly-restrictive regulations against our industry.

Please help us protect, defend and promote our industry in New Mexico. As always, thank you for your support of independents and IPANM!

Highest regards,

Jim

Jim Winchester Executive Director



Dear IPANM Members and Prospective Members

On the strength of the oil and gas industry, New Mexico is now a national and global energy leader. Our state continues to break oil production records on a monthly basis. We are also breaking membership records at IPANM! Please reach out to me at megan@ipanm.org to discuss how you can join our association.

Highest regards,

Megan

Megan Burnett Director of Operations

MEMBER BENEFITS



IPANM.ORG