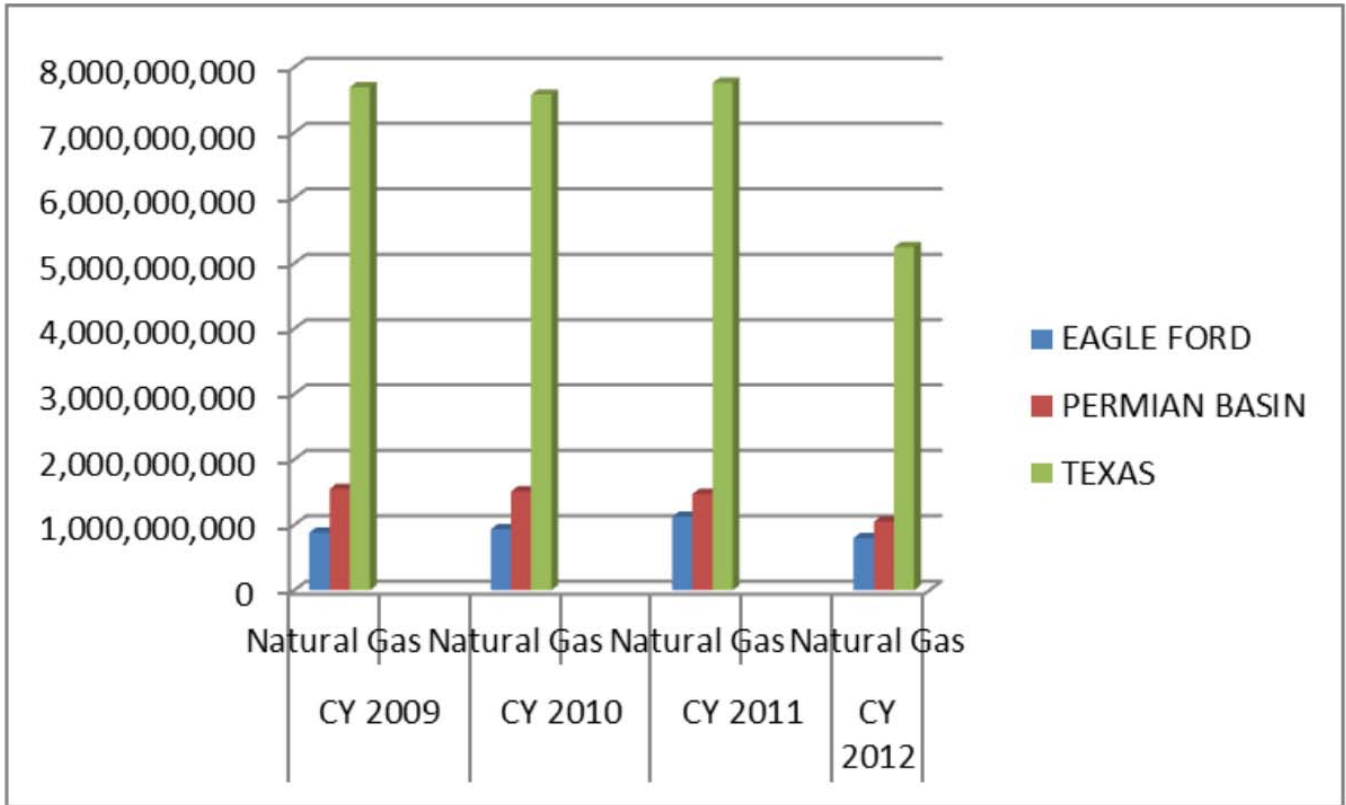


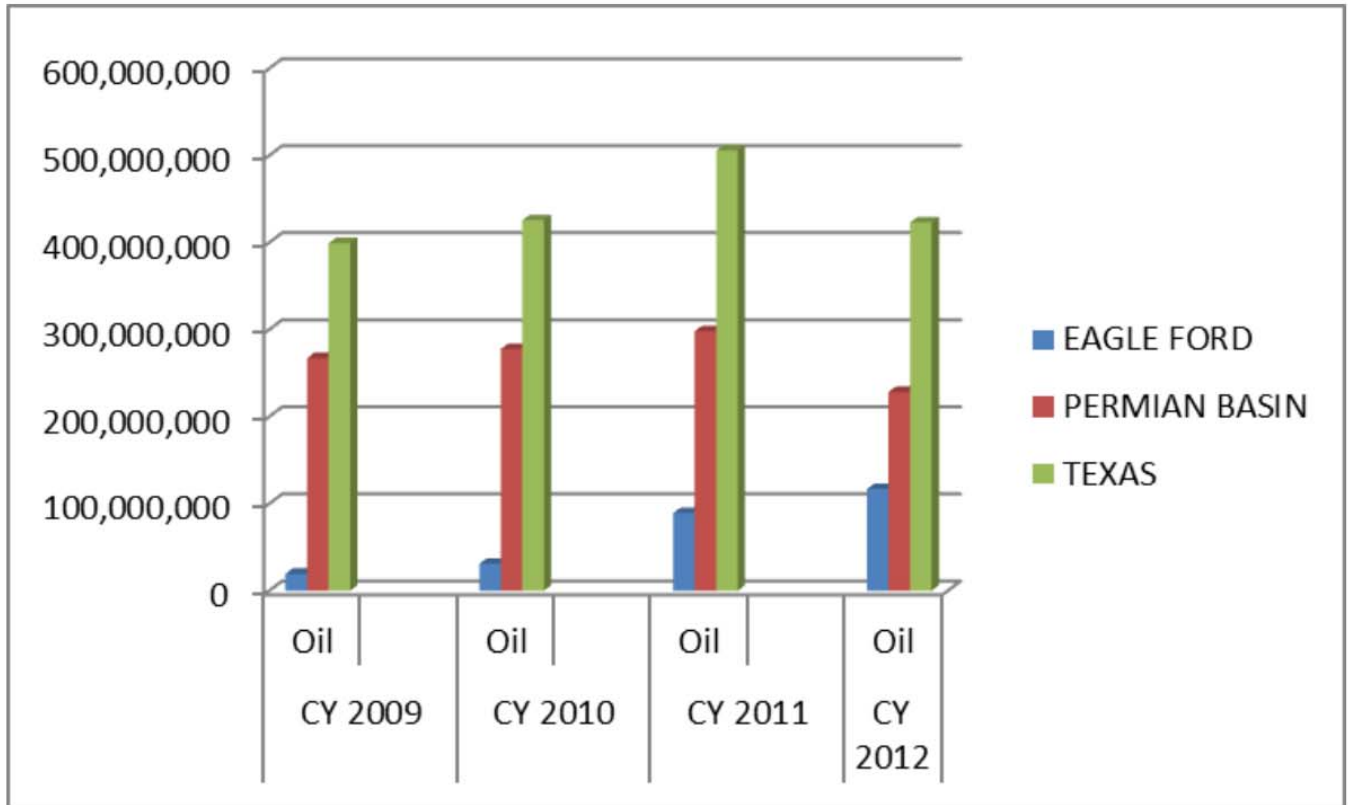
ECONOMIC IMPACT OF THE PERMIAN BASIN



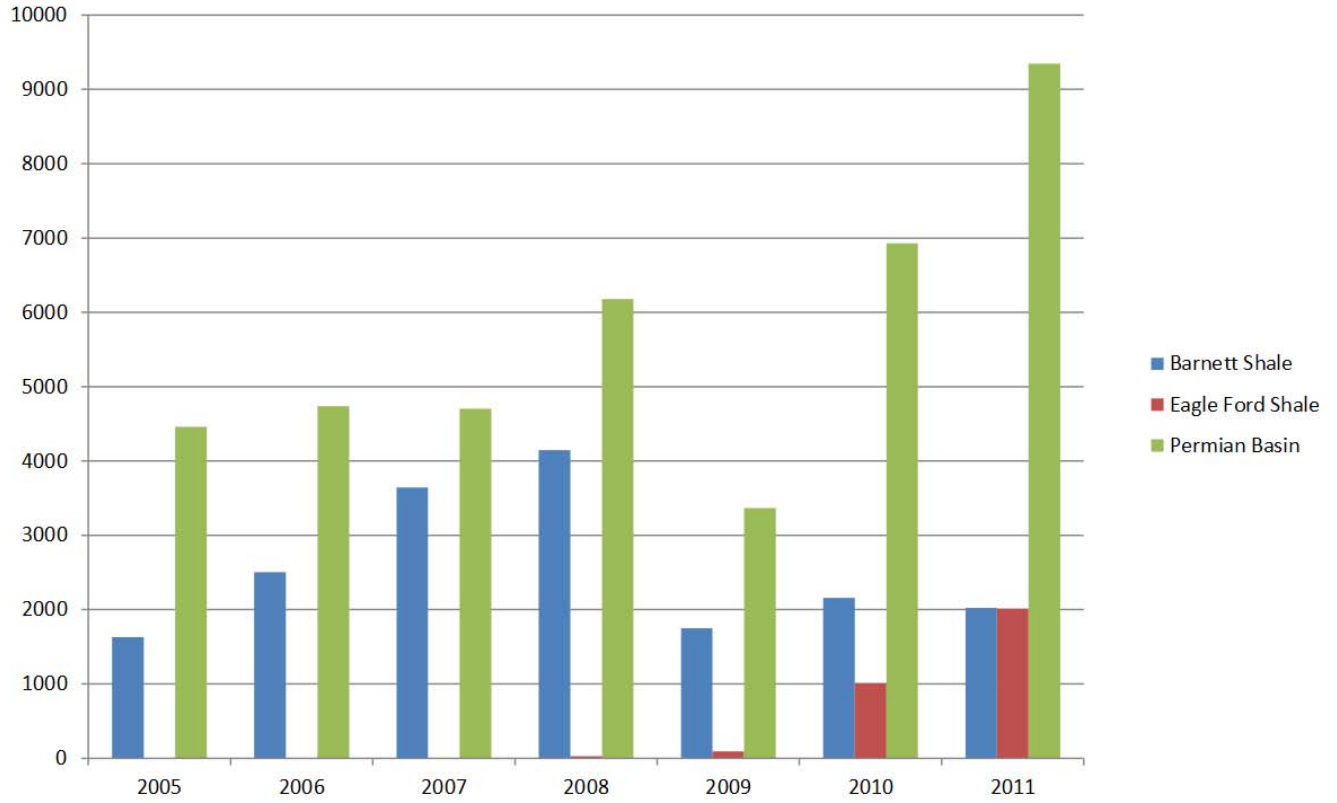
Natural Gas Production Comparison in Texas



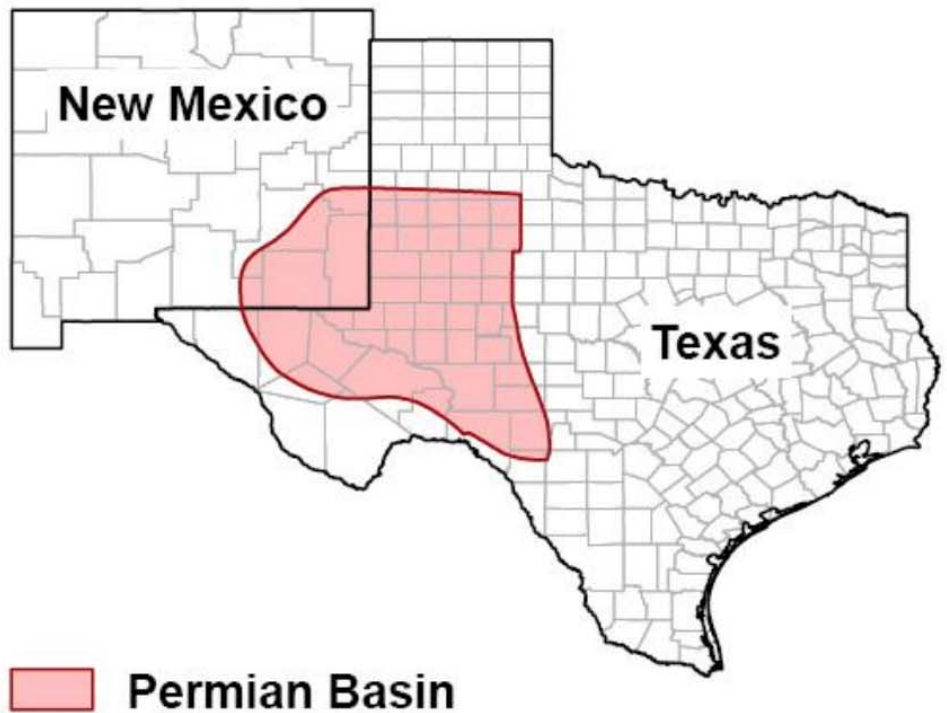
Crude Oil Production Comparison in Texas



Drilling Permits Issued Comparison in Texas



Permian Basin Region
58 or 59 Counties in Texas
1,226,432 Population
 (2010 US Census)
1,258,988
 (July 2012 Estimate)



OIL & GAS PRODUCTION IN TEXAS

YEAR	Crude Oil	Gas
2009	67%	20%
2010	65%	20%
2011	59%	19%
2012*	54%	20%

* 2012 Data for January—September



IN 2011

- \$56.2 Billion in Gross Sales
- \$18.47 Billion in Sales subject to Sales Tax
- \$1,152,969,642.38 in Sales Tax for the State
- **\$1,304,798,532** in Severance Tax for the State
- \$954,493,272 for Permanent University Fund
- \$316,619,223 for the Permanent School Fund



\$3.7 Billion in Revenue for the State of Texas

- Sales and Severance Taxes
- Permanent University and School Funds

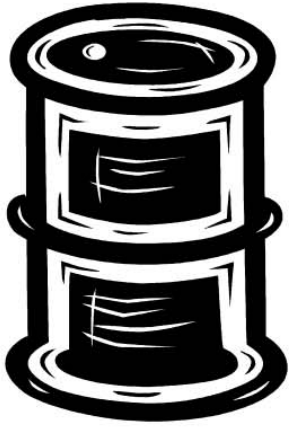
Local Ad Valorem

\$142.6 billion worth of market value ad valorem property

\$115 billion in taxable ad valorem property

\$464 million in county revenue from ad valorem revenues.





SEVERANCE TAXES

From 2011 to 2012

- Annual Severance Taxes generated in the Permian Basin increased over \$200 million
- The Permian Basin generated 42% of all Severance Taxes generated in Texas for those 2 years

2011 \$1,304,798,532

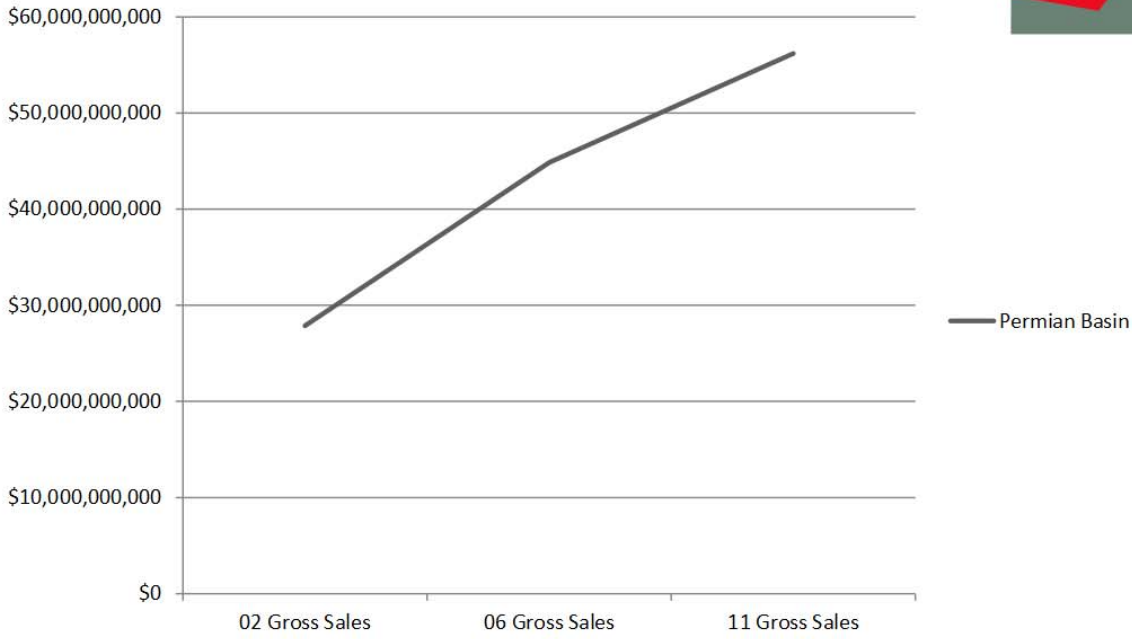
2012 \$1,515,444,799



ECONOMIC GROWTH-GROSS SALES



Permian Basin



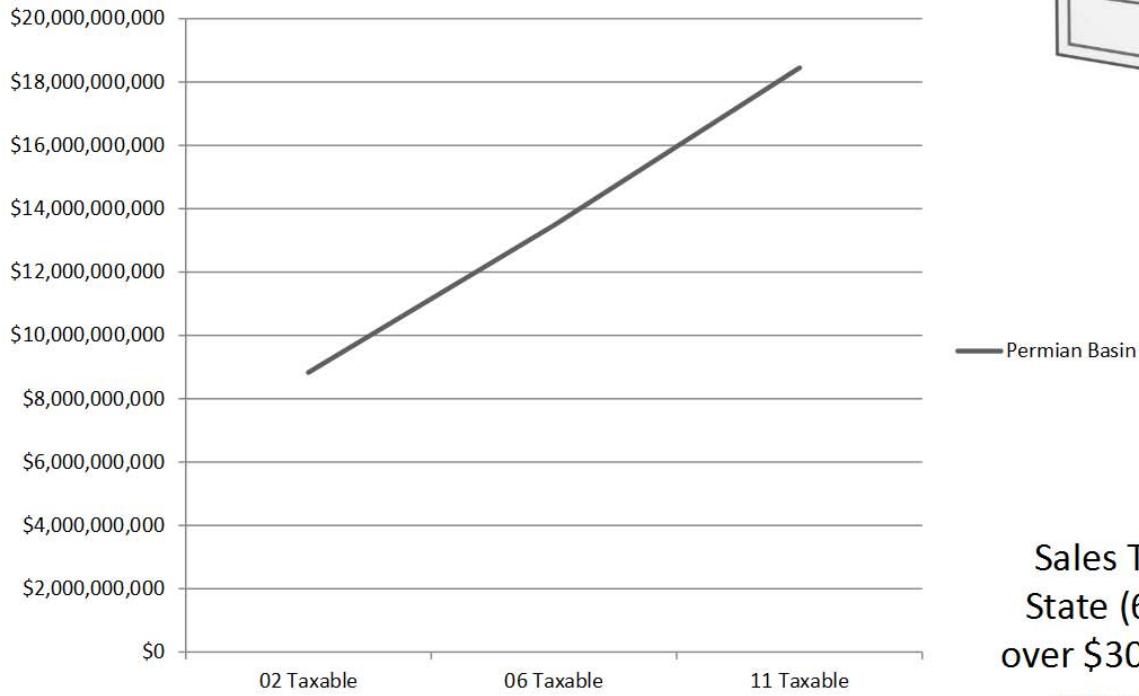
	02 Gross Sales	06 Gross Sales	11 Gross Sales
Permian Basin	\$27,873,223,914	\$44,837,276,687	\$56,201,924,516



STATE SALES AND USE TAXES



Permian Basin

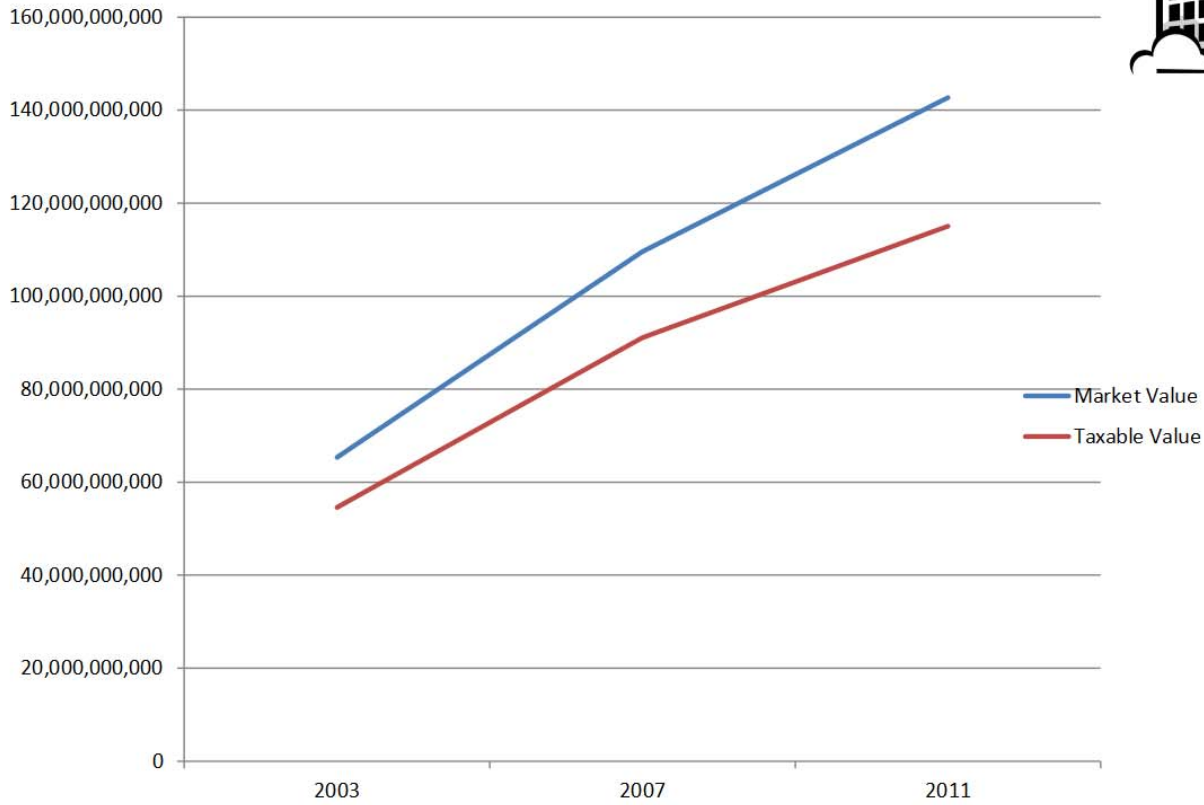


Sales Taxes Paid to the State (6.25%) increased over \$300 million annually over the last 5 years

	02 Taxable	06 Taxable	11 Taxable
Permian Basin	\$8,828,568,735	\$13,478,262,017	\$18,447,514,278



AD VALOREM VALUES



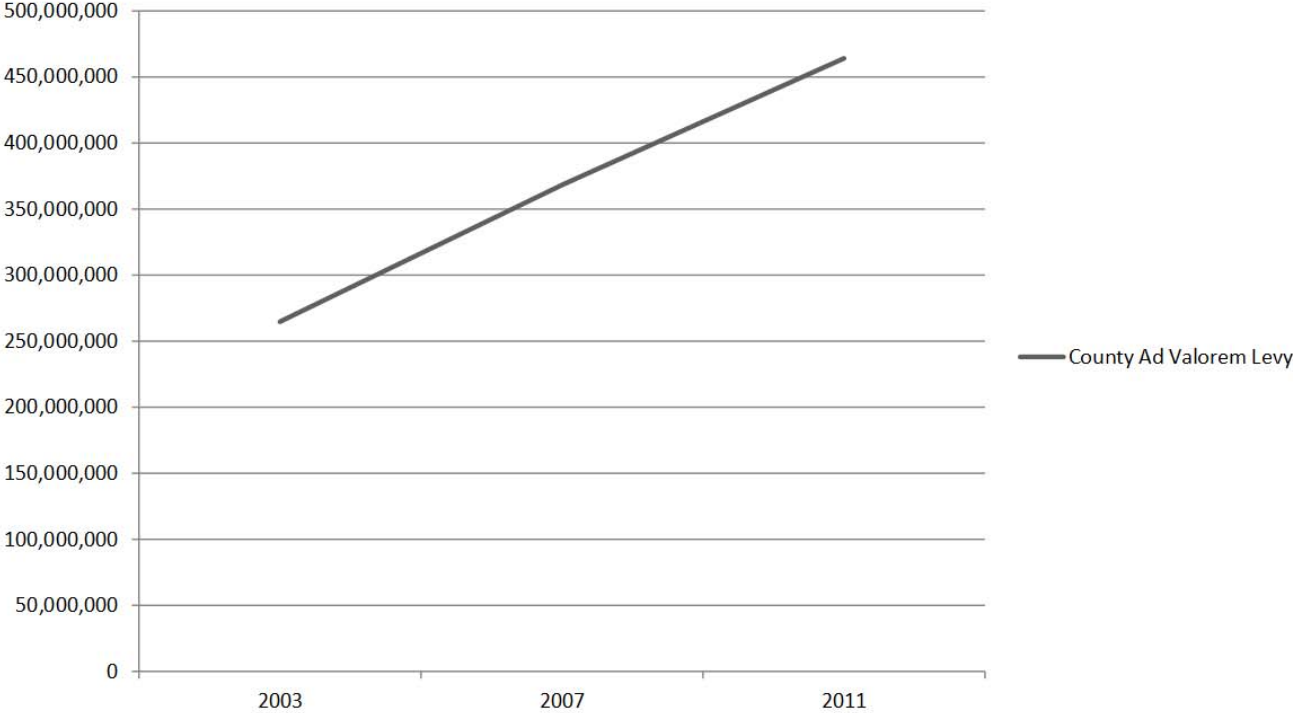
	2003	2007	2011
Market Value	65,328,988,933	109,561,755,586	142,687,586,546
Taxable Value	54,547,038,735	91,062,883,571	115,072,822,884



AD VALOREM VALUES



County Ad Valorem Levy



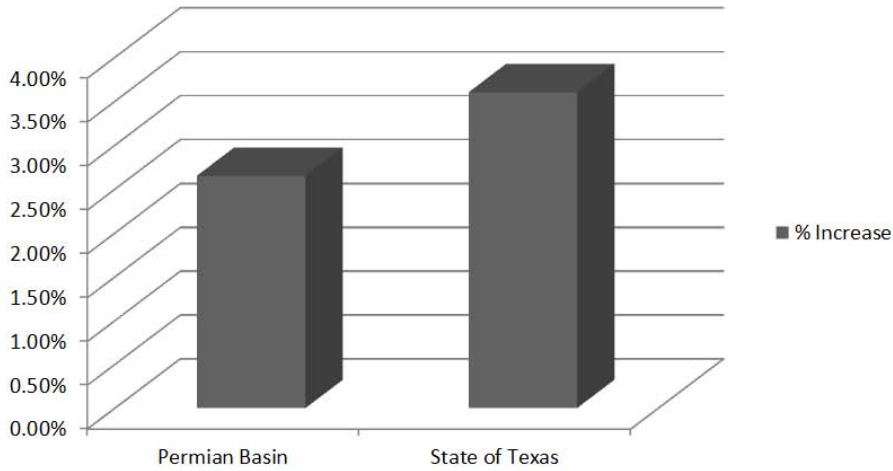
	2003	2007	2011
County Ad Valorem Levy	264,637,210	368,270,627	464,108,998



POPULATION



% Increase



PERMIAN BASIN
2.65%

STATE OF TEXAS
3.6%

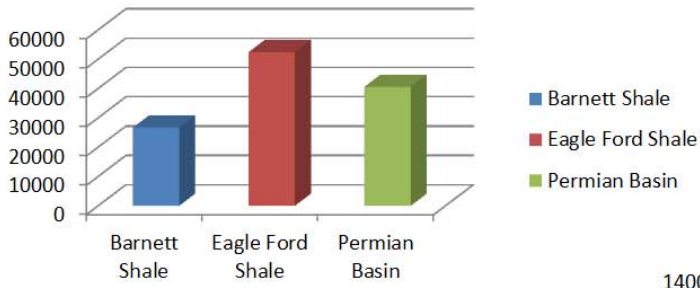
ECTOR/MIDLAND CO.
16%

	2010 Census	2012 Estimate
Permian Basin	1,226,432	1,258,988
State of Texas	25,145,561	26,059,203

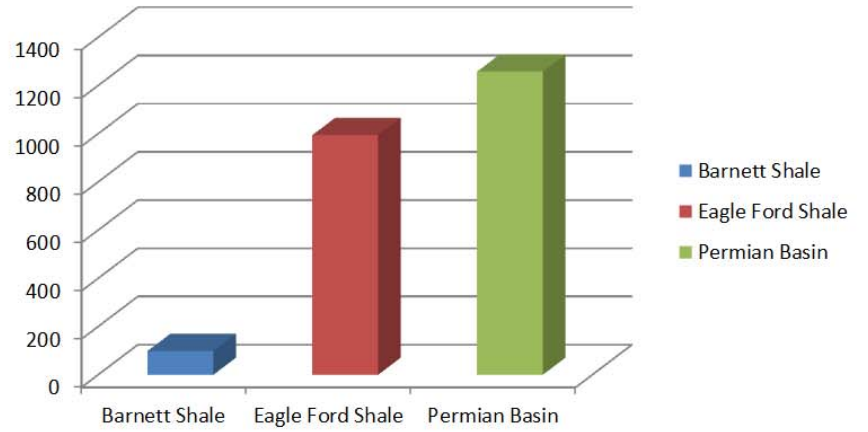


USGS Assessment of Undiscovered Oil & Gas Resources

Gas (BCFG)



Oil (MMBO)



NGL (MMBNGL)

