



Making a Difference for California's Independent Crude Oil and Natural Gas Producers, Royalty Owners, and Service and Supply Companies

California is the top consumer of gasoline and jet fuel in the United States, with 1.8 million barrels of oil consumed daily. Our oil and gas production is the cleanest in the world due to the numerous regulations California producers follow. We also create thousands of high-wage jobs and pay billions in taxes to support essential services like education, healthcare, and public safety.

Yet California lawmakers continue to target domestic producers and aim to shut our industry down, all while spending billions every year on foreign oil, making us more reliant on countries who don't share our political, social, and environmental values, and weakening California's energy security.

Join CIPA and Help Us Fight Back

Simply put, CIPA is an advocacy organization, and our mission is to keep the California oil and natural gas industry in business. We are the only statewide organization actively fighting for the interests of independent producers, service and supply companies, and royalty owners in the environmental, legislative, and regulatory fields. That is no easy task.

CIPA works aggressively every day to help create a more stable and predictable regulatory and political environment for our members. We do that through rigorous regulatory engagement at the federal, state, and local level. We're also committed to being a positive, credible, and proactive voice for industry, promoting respectful public dialogue, outreach, and education.

It's an effort that takes all of us working together. Please join us to help with the fight.



Reducing Permit Review Bottleneck:

Only 24 new well permits were issued in 2023, a significant drop from previous years, and only 12 Underground Injection Control Projects have been approved, each taking about 25 months to process. CIPA aims to expedite the approval process, which currently has over 1,300 applications pending. We are working with state leaders on solutions to reduce this backlog or pursue other avenues, including taking legal action. CIPA meets twice monthly with the Oil and Gas Supervisor to review CalGEM practices and explore resolving the permit bottleneck.



Bonding Requirements:

The State Oil and Gas Supervisor is authorized to require additional bonding on operators up to \$30 million. However, increased bonding is not commercially available to most California operators. Furthermore, premiums paid to bonding companies don't plug any wells. CIPA is working with CalGEM to establish practical alternatives so operators can use the money to plug idle wells rather than enrich Wall Street insurance companies. This includes treating CIPA members as a single unit with a single shared assurance limit.



Repeal of SB 1137 - Setbacks:

Senate Bill 1137 imposes a 3,200-foot setback between wells and sensitive land uses, disallowing drilling of new wells and workovers of existing wells, potentially impacting 15,000 existing California wells. CIPA led the charge to place a referendum on the ballot for the 2024 election, successfully putting the law on hold until voters can weigh in. In the meantime, CIPA is encouraging legislators to enact a legislative fix to avoid an expensive ballot battle.

A Few Recent Accomplishments that Benefit You:



- ✔ **Defeat of SB 556:** CIPA successfully opposed SB 556, which would have held operators liable for up to \$1,000,000 in healthcare costs of each nearby resident without scientific evidence.
- ✔ **Plugging Standards:** CIPA has worked with CalGEM to enact substantive improvements to their P&A standards to reduce operators' costs.
- ✔ **Advocating Directly to Lawmakers:** CIPA has comprehensive media and public affairs operations to get our priorities directly in front of lawmakers. In 2023, we generated the equivalent of \$2 million worth of media coverage for our members.
- ✔ **Legislator Education:** CIPA members and staff have met continuously with legislators to educate them on industry impacts, our priorities, and how California's oil producers contribute to their communities and the state's economy.
- ✔ **Referendum to Repeal SB 1137:** CIPA collected nearly one million signatures to qualify a referendum for the November 2024 election to repeal SB 1137, the setback bill. That law is now on hold due to CIPA qualifying the referendum.

Membership

Not Just for Producers: CIPA's day-to-day focus is not just on California producers. Our impact is much broader due to the rippling economic effect throughout the industry. If you provide goods or services, such as drilling, chemicals, transportation, environmental services, or even accounting or legal expertise to California producers, our efforts to keep producers in business keep you in business as well. Additionally, CIPA now has a new focus on issues affecting our associate members.

**You're an essential part of this industry, and your voice matters.
Join us to ensure your interests are represented and protected.**

Member Benefits:

CIPA's primary focus is advocacy, and your membership supports our persistent engagement in state and local regulatory and legislative strategies every day. In addition to those ongoing efforts, your membership includes:

Weekly Updates: We produce the Monday Morning Report (MMR) e-newsletter every week, informing you of our activities on issues impacting you and your customers.

Membership Directory:

- You'll receive the print version of our 2024 Membership Directory and Buyers' Guide, with contact information for all our member companies, and access to the online version via our website.
- You'll also be listed in the 2025 Membership Directory and Buyers' Guide when it is produced next January.

Member Discounts: Everyone in your company gets member pricing at all CIPA's events, including our Annual Meeting in June and our annual golf tournament in Bakersfield in October.

Free and Discounted Advertising: Each new associate member receives one free 120-word ad in the MMR, in the form of an article titled "CIPA Welcomes New Member: [your company name]." Additional ads in a format of your choosing can be purchased at a discount.



California Independent Petroleum Association
2024 ANNUAL MEETING
June 20-23 | San Diego

Your involvement in CIPA's activities is crucial to our effectiveness as an association. Your insights and contributions, whether through education, networking, or lobbying, play a vital role in shaping industry policies and building relationships throughout the year.



Annual Meeting: CIPA's annual meeting is the largest gathering of oil and natural gas producers west of the Rockies. It offers a blend of networking opportunities and presentations on political, economic, regulatory, and other relevant issues. The event spans multiple days in a captivating location, combining business with pleasure among industry colleagues.



Board Meetings (Quarterly): We hold one Board of Directors meeting in Sacramento, one in Bakersfield, one in the Los Angeles area, and one in conjunction with the Annual Meeting (location varies) each year. This ensures that CIPA members can attend at least one meeting each year at a convenient location. Lunch is on us.



Monthly Meetings with CalGEM: CIPA meets with the State Oil and Gas Supervisor and CalGEM staff every month to work on issues such as bonding, permitting, and emissions detection. All members are welcome to attend in person or by Zoom to contribute their insights and stay informed.



Monthly Lobby Days: Each month, CIPA works with a member company to bring a small group of oil workers to Sacramento. We train them on CIPA issues and arrange face-to-face meetings with legislators, allowing each worker to share their story of how California's oil industry has benefited them, their families, and their communities. These meetings are a powerful advocacy tool.



State Lobby Day: CIPA members and staff deliver group presentations to legislators and have smaller, more intimate meetings in legislative offices. These sessions educate lawmakers about our issues and help dispel myths about our industry.



Federal Lobby Days: Our annual trip to Washington, DC includes meetings and presentations with federal legislators and regulators, condensed into two highly effective days.



Oil Symposium: Each year, we bring together about 20 key legislators with 20 CIPA members in an intimate setting over two days. This creates a unique opportunity to educate and build relationships with legislators who make decisions impacting our industry.



Fall Golf Classic: Join us every October for a full day of networking and golf at the Bakersfield Country Club. This tournament includes a round of golf, boxed lunch, contest holes, and an awards dinner with a huge raffle drawing.

Our Committees

Member engagement is crucial to CIPA's success. Committees provide a platform for member input and direction on CIPA strategies, ensuring a unified approach on regulatory, legal, legislative, outreach, and other issues. Participating in committees also keeps members informed.

- **Bonding:** Explores solutions for operators subject to CalGEM's indemnity bond requirements.
- **CIPAC:** Supports CIPA's Political Action Committees to elect pro-industry legislators.
- **Economic Policy and Taxation:** Provides analysis on income tax and economic policy affecting members.
- **Legislative:** Engages in advocacy to protect the industry's future.
- **Legal:** Explores legal avenues to protect industry assets in California.
- **Los Angeles Environmental Affairs:** Shares updates on environmental challenges in the L.A. area.
- **Permitting:** Improves permitting processes for CIPA members.
- **Plugging and Abandonment Standards:** Reviews standards to reduce costs and improve regulations.
- **Property Tax:** Studies changes to the taxable value of mineral rights in California.
- **Public Affairs:** Develops strategies for positive messaging on CIPA issues.
- **Regulations:** Advocates on industry's behalf for proposed regulatory changes.
- **Royalty Owners:** Focused on outreach to royalty owners.
- **San Joaquin Valley Environmental Affairs:** Shares updates on environmental challenges in the SJV area.



ENERGY ACADEMY PROGRAM

The Energy Academy offers a six-week paid summer internship in oil & gas for recent high school graduates from inner-city areas. CIPA members provide on-the-job experience in various positions. To recruit, CIPA representatives make presentations in high schools, creating a new generation of energy ambassadors who understand the value of California oil. The program inspires a new pool of workers for member companies and provides powerful talking points when meeting with legislators in underserved communities.

Join Us:

CIPA is a member-driven organization advocating for domestic producers, service companies, and royalty owners. We rely on you not only for financial support, but also to guide our policy and regulatory priorities. An investment in CIPA is an investment in the longevity of California's petroleum industry.

Learn more about membership at www.CIPA.org/Join.