



FOR IMMEDIATE RELEASE
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Texas Oil & Gas Association on Passage of Hydraulic Fracturing Ban in Denton

The following can be attributed to Thomas R. Phillips, former Chief Justice of the Supreme Court of Texas and partner with Baker Botts, which represents the Texas Oil & Gas Association (TXOGA). Today, TXOGA filed a declaratory action and request for injunctive relief in Denton County district court.

The Texas Oil & Gas Association (TXOGA) is disappointed to see voters in Denton pass a ban on hydraulic fracturing. Many of the wells in Denton cannot be produced without hydraulic fracturing, so a ban denies many mineral interest owners the right to gain value from their property, despite the State's public policy in favor of developing natural resources.

TXOGA respectfully acknowledges differing opinions among local officials, residents, community groups, and companies on the legality as well as the efficacy of this type of ordinance. As to the first question – legality – TXOGA believes that the courts of this State should give a prompt and authoritative answer on whether Denton voters had the authority under state law to enact a total ban on hydraulic fracturing within the city limits.

To that end, TXOGA today filed a declaratory action and request for injunctive relief against the City of Denton on the grounds that a ban on hydraulic fracturing is inconsistent with state law and therefore violates the Texas Constitution.

The Texas Legislature has vested extensive regulatory power over oil and natural gas development in the Railroad Commission of Texas and the Texas Commission on Environmental Quality (TCEQ). While home-rule cities like Denton may certainly regulate some aspects of exploration and drilling, TXOGA does not believe that they may enact ordinances that outlaw conduct, like hydraulic fracturing, that has been approved and regulated by state agencies such as the Railroad Commission or TCEQ.

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The Texas Oil & Gas Association is a statewide trade association with approximately 5,000 members representing every facet of the Texas oil and gas industry including small independents and major producers. TXOGA members account for over 90 percent of all crude oil and natural gas produced in Texas; they operate a vast majority of the State's pipeline mileage and gas processing capacity; and they are responsible for a preponderance of the State's refining capacity.