LOWER CO_2 EMISSIONS

The carbon dioxide (CO2) content is 22.8% lower than the average of the remainder of world production. Permian oil has a 57.6% advantage over Middle Eastern oil and is 74.4% below the CO2 content of tight sand formations. It is also substantially cleaner than the Mayan oil from Mexico and the production from Nigeria.

In fact, the petroleum from the Permian Basin has the most attractive low carbon characteristics of any major onshore formation in the world. On an energy equivalent basis, Permian Basin low carbon oil has 42.5% lower CO2 emissions than coal (as compared with only 25.2% for the remainder of the world's oil). Natural gas emissions relative to coal are 46.2% lower (or 60.0% when supplemented with carbon capture technology).

MIDLAND CHAMBER OF COMMERCE

PERMIAN BASIN

MIDLAND DEVELOPMENT CORPORATION

MIDLAND-ODESSA MOTRAN TRANSPORTATION ALLIANCE, INC.

Odessa Chamber of Commerce

Odessa Development Corporation

P.O. Box 60816 • Midland, TX 79711 • (432) 563-6240 • James@motran.org • http://www.motran.org

STATE OF THE STATS

FACTS AND FIGURES ON THE OIL AND GAS INDUSTRY IN THE PERMIAN BASIN

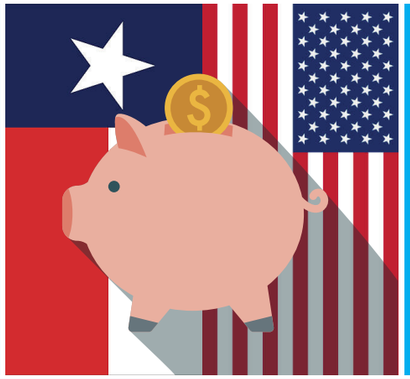
Source: The Perryman Group

Oil production in the Permian Basin is estimated to be surpassing 5.2 million barrels per day, while gas production in the Permian Basin has risen to more than 20.2 BCF/day.

ANNUAL ECONOMIC IMPACT OF THE PERMIAN BASIN TO TEXAS AND THE U.S.

TEXAS

UPSTREAM	
Total Expenditures	$272 Billion
Gross Product	$83 Billion
Personal Income	$20 Billion
Jobs	301,000
MIDSTREAM AND DOWNSTREAM	
Total Expenditures	$198 Billion
Gross Product	$46 Billion
Personal Income	$14 Billion
Jobs	207,000



UNITED STATES

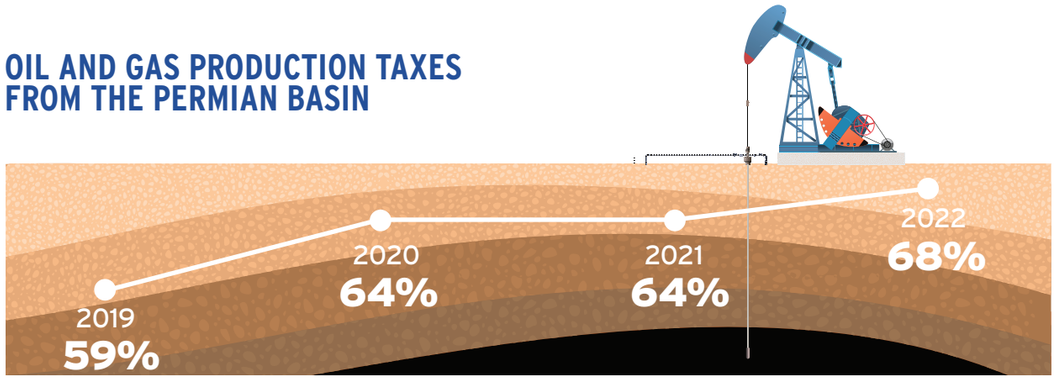
UPSTREAM	
Total Expenditures	$329 Billion
Gross Product	$102 Billion
Personal Income	$29 Billion
Jobs	432,000
MIDSTREAM AND DOWNSTREAM	
Total Expenditures	$218 Billion
Gross Product	$51 Billion
Personal Income	$18 Billion
Jobs	242,000

Energy Production in the Permian Basin Generates **7.8%** of the Texas Private-Sector Gross Product, **$4,377** in Private-Sector Gross Product per resident, and **$1,199** in Income per Texas Resident

The projected 2050 impact of energy production in the Permian Basin on the Texas economy ranges from $145.661 billion in gross product and 557,566 jobs under the low growth scenario to $219.939 billion in gross product and 778,270 jobs under a high growth with incentives scenario (including multiplier effects). United States impacts of the Permian Basin include between $172.647 billion and $260.686 billion in gross product and 738,580 to 1,030,935 jobs in 2050.

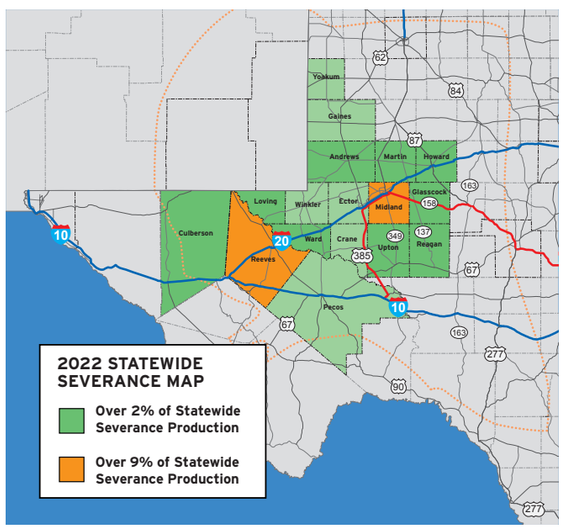
Dr. Ray Perryman is President and CEO of The Perryman Group, an economic research and analysis firm based in Waco, Texas. His firm has served the needs of more than 2,500 clients, including two-thirds of the Global 25, over half of the Fortune 100, the 12 largest technology firms in the world, 10 US Cabinet Departments, the 9 largest firms in the US, the 6 largest energy companies operating in the US, and the 5 largest US banking institutions.

OIL AND GAS PRODUCTION TAXES FROM THE PERMIAN BASIN



Oil and gas production taxes from the Permian represented about 59% of total state severance taxes in fiscal 2019 and about 64% in fiscal 2020 and 2021 and 68% in fiscal year 2022. The Permian Basin contributed about $979 million in royalties to the state through the Texas Permanent University Fund in fiscal 2021.

The Energy Information Administration of the US Department of Energy (EIA) projects that 2050 global demand will increase by almost 50% compared with 2020 in its baseline case. Petroleum and other liquids are expected to continue to account for the highest percentage of energy (30% in 2020 and 28% in 2050). Natural gas demand also increases notably. This baseline projection further anticipates increases in both oil and natural gas production of more than 30% over current levels.



Total Direct/Indirect Texas Taxes

Associated with the Permian Basin Oil and Gas Industry

$11.8 Billion

- **$3.2 Billion** Production Taxes
- **$3.6 Billion** Other Direct Taxes
- **$2.6 Billion** Indirect/Induced State
- **$2.4 Billion** Indirect/Induced Local

> I love the spirit of the Permian. All of the great attributes of our state are strengthened and intensified here in the Permian.
> - U.S. Senator Ted Cruz

2050 PROJECTIONS

The Energy Information Administration of the U.S. Department of Energy

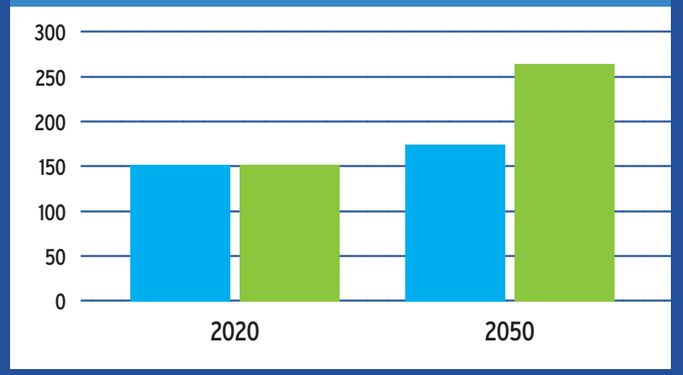
Global Energy Demands Up 50% from 2020 to 2050

2050 global demand will increase by almost 50% compared with 2020 in its baseline case. Petroleum and other liquids are expected to continue to account for the highest percentage of energy (30% in 2020 and 28% in 2050).

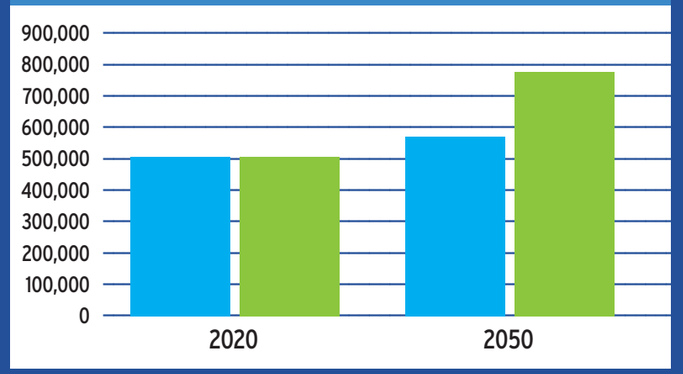
Oil & Gas Production 30% from 2020 to 2050

Natural gas demand also increases notably. This baseline projection further anticipates increases in both oil and natural gas production of more than 30% over current levels.

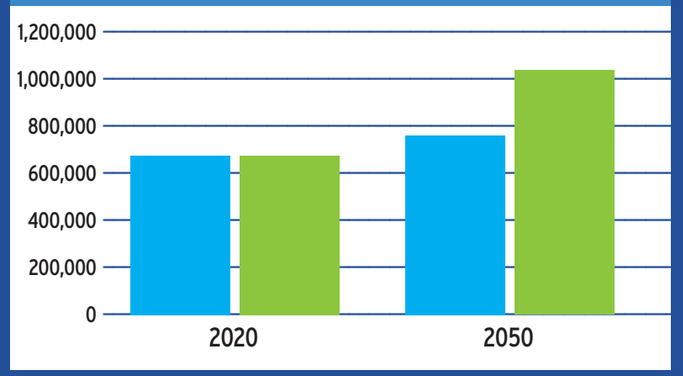
U.S. GDP RELATED TO PERMIAN



TEXAS JOBS SUPPORTED BY THE PERMIAN



U.S. JOBS SUPPORTED BY THE PERMIAN



LOW GROWTH HIGH GROWTH