



EAGLE FORD CONSORTIUM



Presentation by Leodoro Martinez, Jr.

Executive Director -Middle Rio Grande Development Council

Chairman -Eagle Ford Consortium

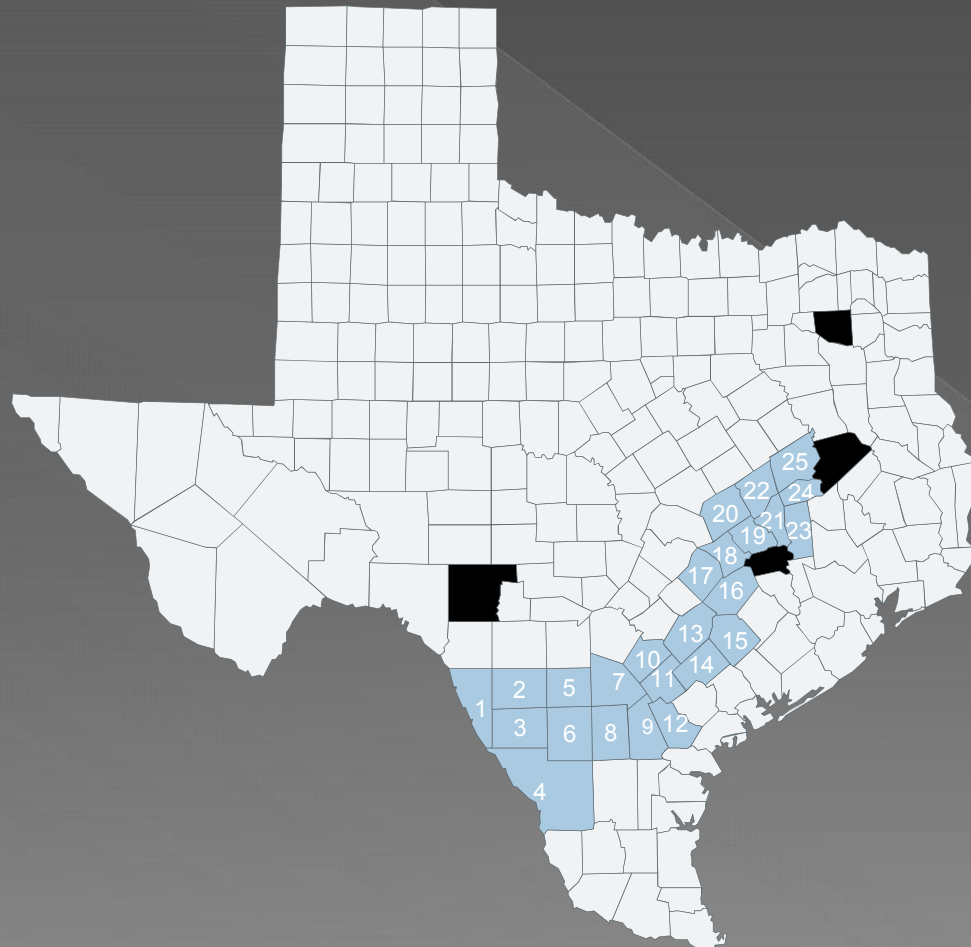


“The Changing Business Environment”



Eagle Ford Shale Geography

Approximately 50 miles wide and 400 miles long



Shale Counties

- | | |
|---------------|----------------|
| 1 – Maverick | 14 – Dewitt |
| 2 – Zavala | 15 – Lavaca |
| 3 – Dimmit | 16 – Fayette |
| 4 – Webb | 17 – Bastrop |
| 5 – Frio | 18 – Lee |
| 6 – LaSalle | 19 – Burleson |
| 7 – Atascosa | 20 – Milam |
| 8 – McMullen | 21 – Brazos |
| 9 – Live Oak | 22 – Robertson |
| 10 – Wilson | 23 – Grimes |
| 11 – Karnes | 24 – Madison |
| 12 – Bee | 25 – Leon |
| 13 – Gonzales | |

Source: Texas Railroad Commission (July 2012)

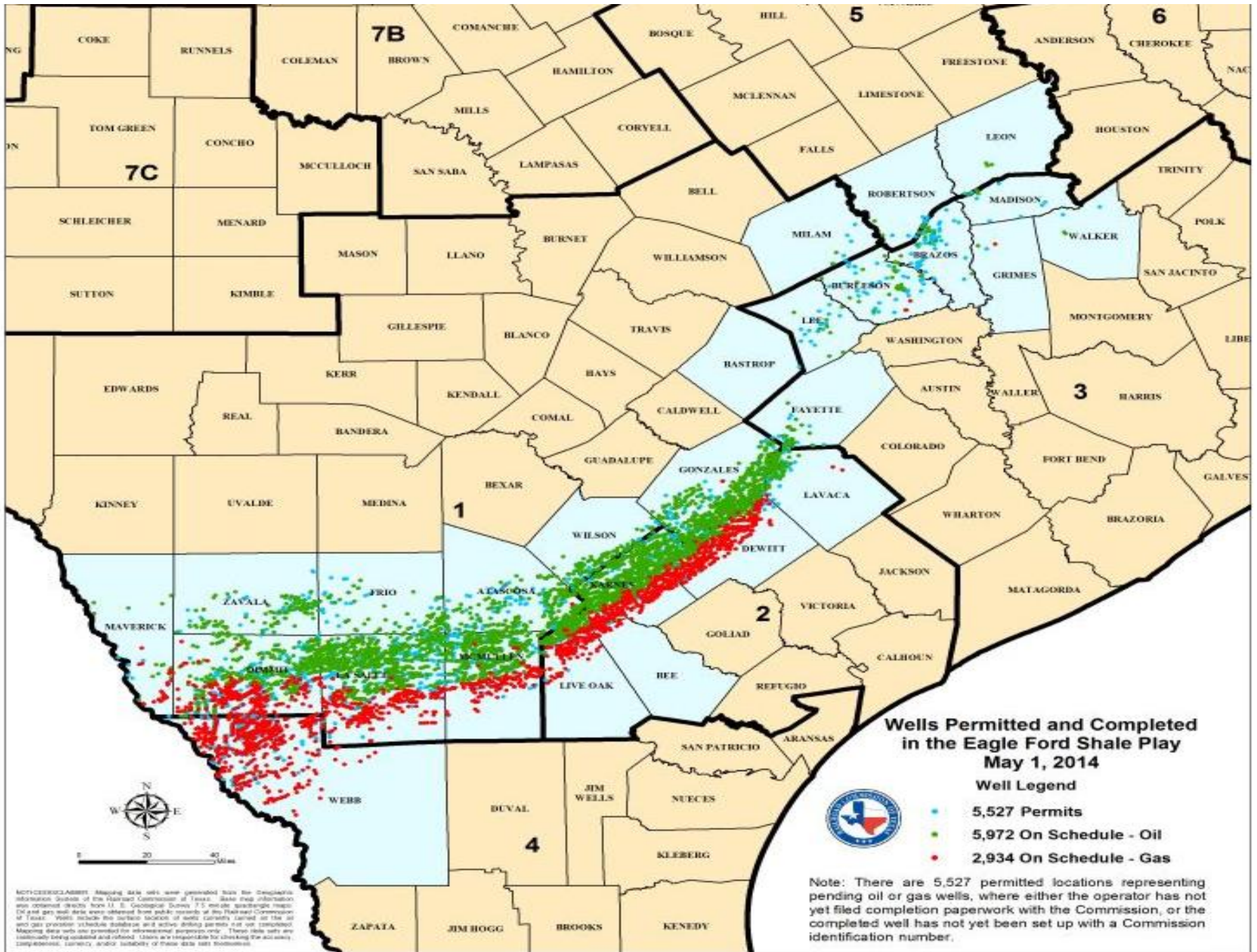


Wells Permitted and Completed in the Eagle Ford Shale Play As of May 1st, 2014

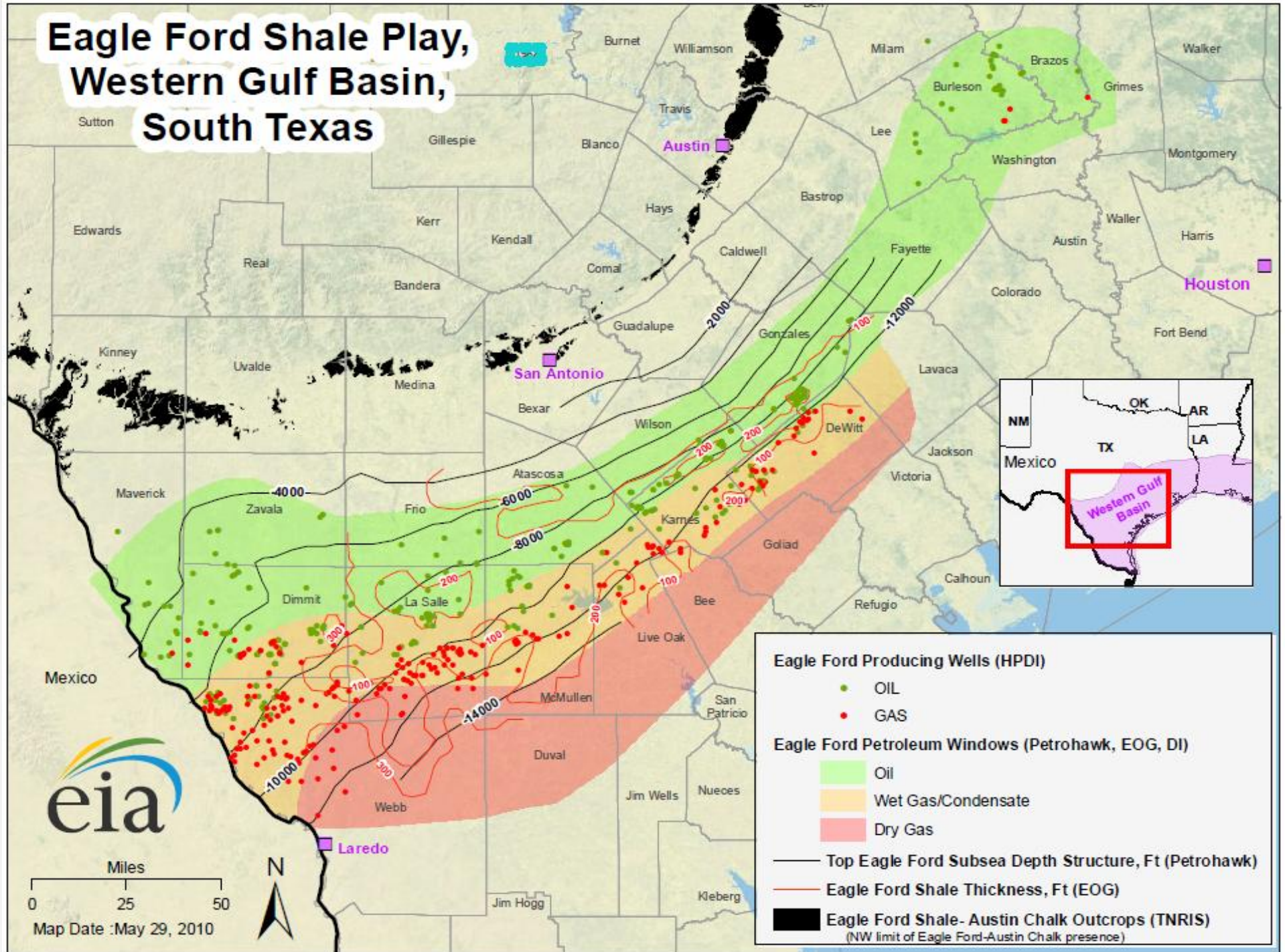
	5,527 Permits
	5972 On Schedule-Oil
	2934 On Schedule –Gas

Note: There are 5,527 permitted locations representing pending oil and gas wells, where either the operator has not yet filed completion paperwork with the Commission, or the completed well has not yet been set up with a Commission identification number.





Eagle Ford Shale Play, Western Gulf Basin, South Texas



Reactionary Phase

Economic Impact in Midst of EFS “**Reactionary Phase**”

- Rental Housing impact
- RV Camps
- Man Camps
- Cost of Living
- Infrastructure



Reactionary Phase

Property Market Values 2012

County	Total Market Value	Appraised	Levy
La Salle	\$3,450,216,393	\$2,424,327,068	\$12,604,567
Dimmit	\$3,662,621,125	\$2,600,496,450	\$7,281,390
McMullen	\$2,321,488,082	\$1,373,621,424	\$7,829,642
Karnes	\$3,967,846,218	\$3,137,749,679	\$9,234,398
Gonzales	\$4,296,676,400	\$1,988,660,620	\$7,067,699



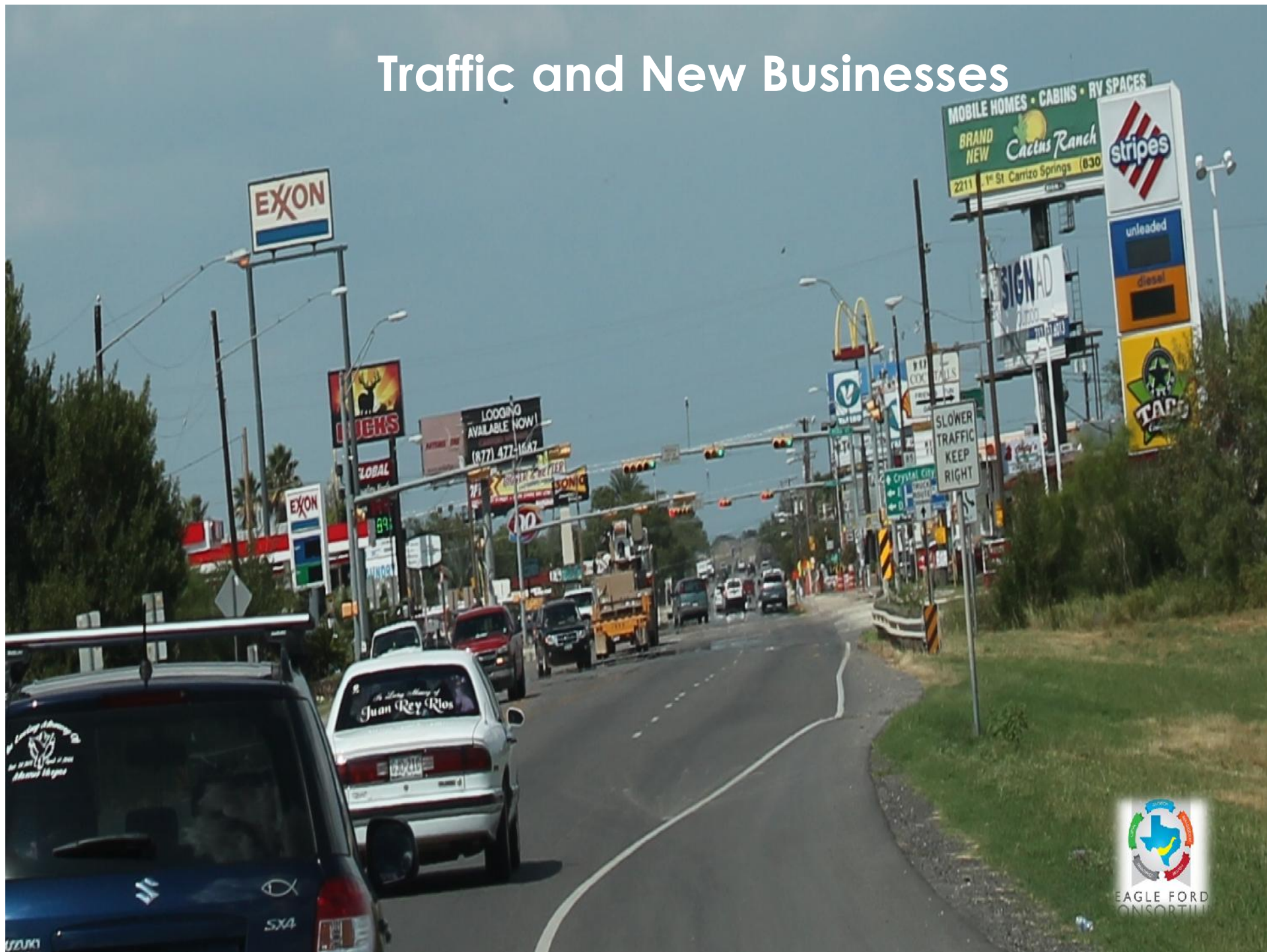
Reactionary Phase

Sales Tax Allocation Comparison

City	2009	2013	% Diff.
Cuero	\$ 1,173,549.66	\$2,989,078.68	155%
Karnes City	\$ 201,481.60	\$ 958,499.48	376%
Three Rivers	\$ 423,520.87	\$1, 260,869.49	198%



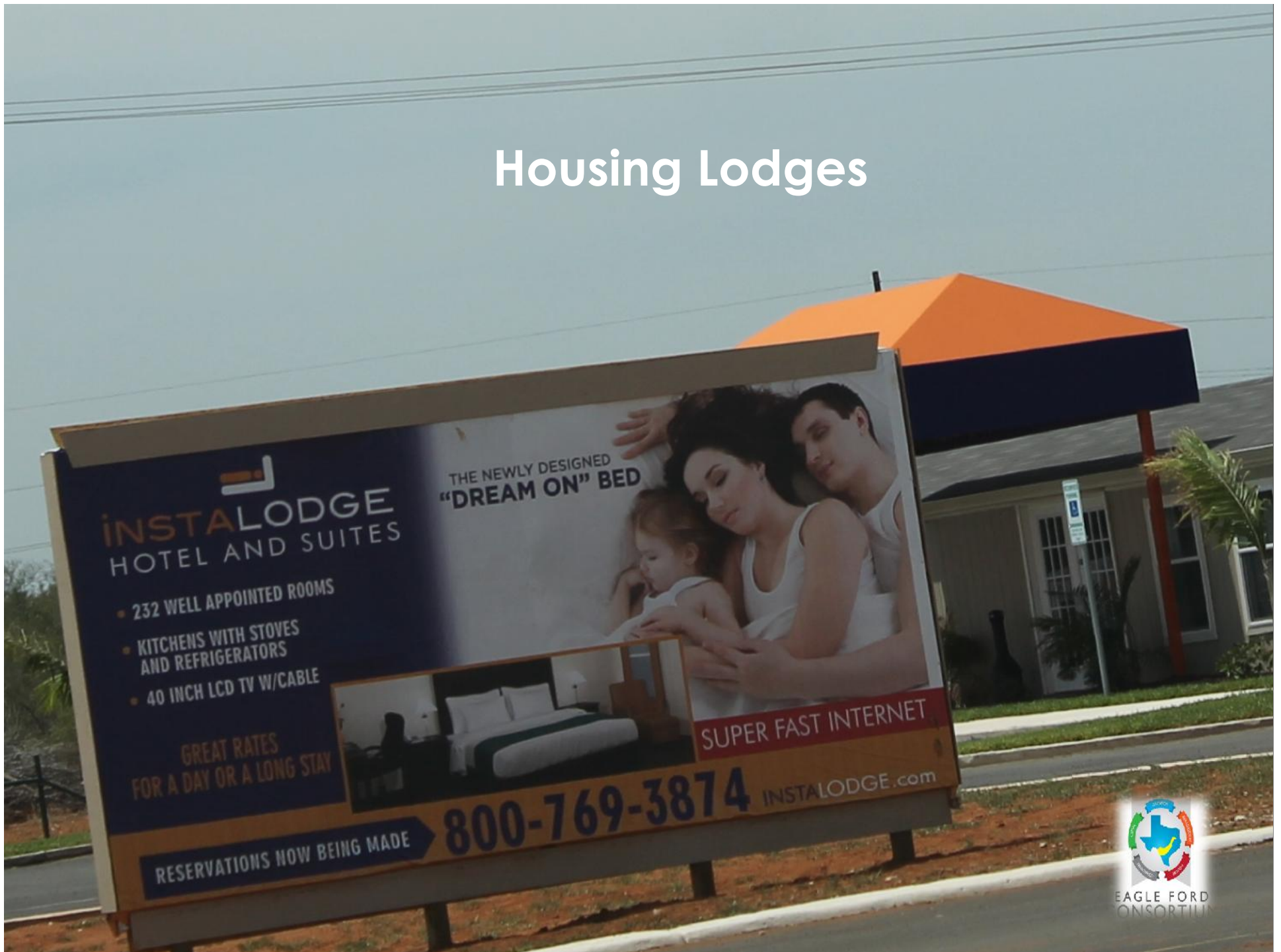
Traffic and New Businesses



Fueling brings Sales Tax Revenues



Housing Lodges



RV Parks

Cotulla RV Park

- WIFI CONNECTIONS
- ON-SITE LAUNDROMAT
- LARGE LOTS
- CITY SEWER & WATER

Homer Marines
(713) 858-7242



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Hotel Construction in Cotulla



Economic Development Cotulla Texas



City of Cotulla La Salle County



Reactionary Phase

- Total Output \$89.4 Billion
- 20 Counties support 127,919 Jobs
- Total Revenue to Local Government for 2022 is \$2.1 Billion
- Estimated State Revenues is \$2.21 Billion
- Payroll \$6.5 Billion



Reactionary Phase

Oil and Gas Industry Reactionary Phase

1. Creating Relationships
2. Educating Public
3. Maintaining Positive Relations



The Opportunities in the Midst of a Planning Phase

- ➔ •Proper Planning
- ➔ •Capacity Building
- ➔ •Sustainable Investment in Housing, Economic And Business Development
- ➔ •Enhancing partnerships in workforce, education, and economic development
- ➔ •Molding the “Sustainable Vision”



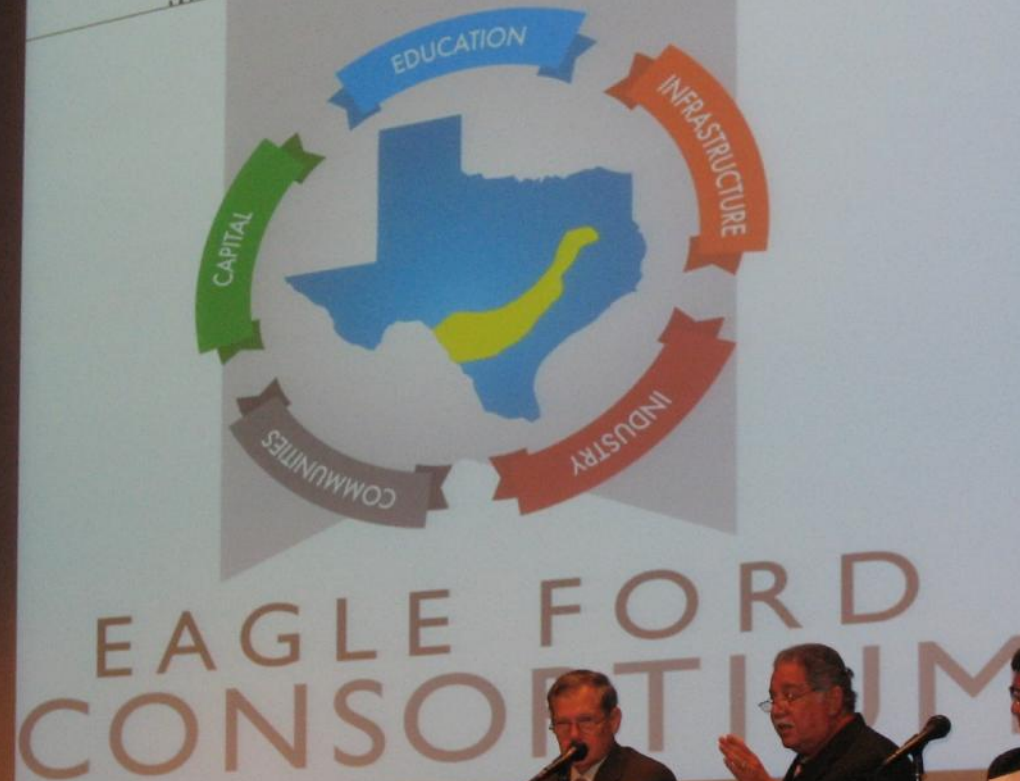
Eagle Ford Consortium Meeting Texas A&M University Laredo



Eagle Ford Consortium Meeting at Texas A&M University Laredo



TWC Forum at Alamo Colleges at Northeast Lakeview



ALAMO
COLLEGES

NORTHEAST LAKEVIEW COLLEGE



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Eagle Ford Consortium Meeting Corpus Christi at Texas A&M University



Eagle Ford Consortium Annual Conference March 2013



Eagle Ford Shale Summit at Texas & M University at Laredo



Eagle Ford Shale Panel Victoria College



Texas Workforce Solutions \$1.5 Million Grant Check Consortium of Eagle Ford Shale Area Community Colleges

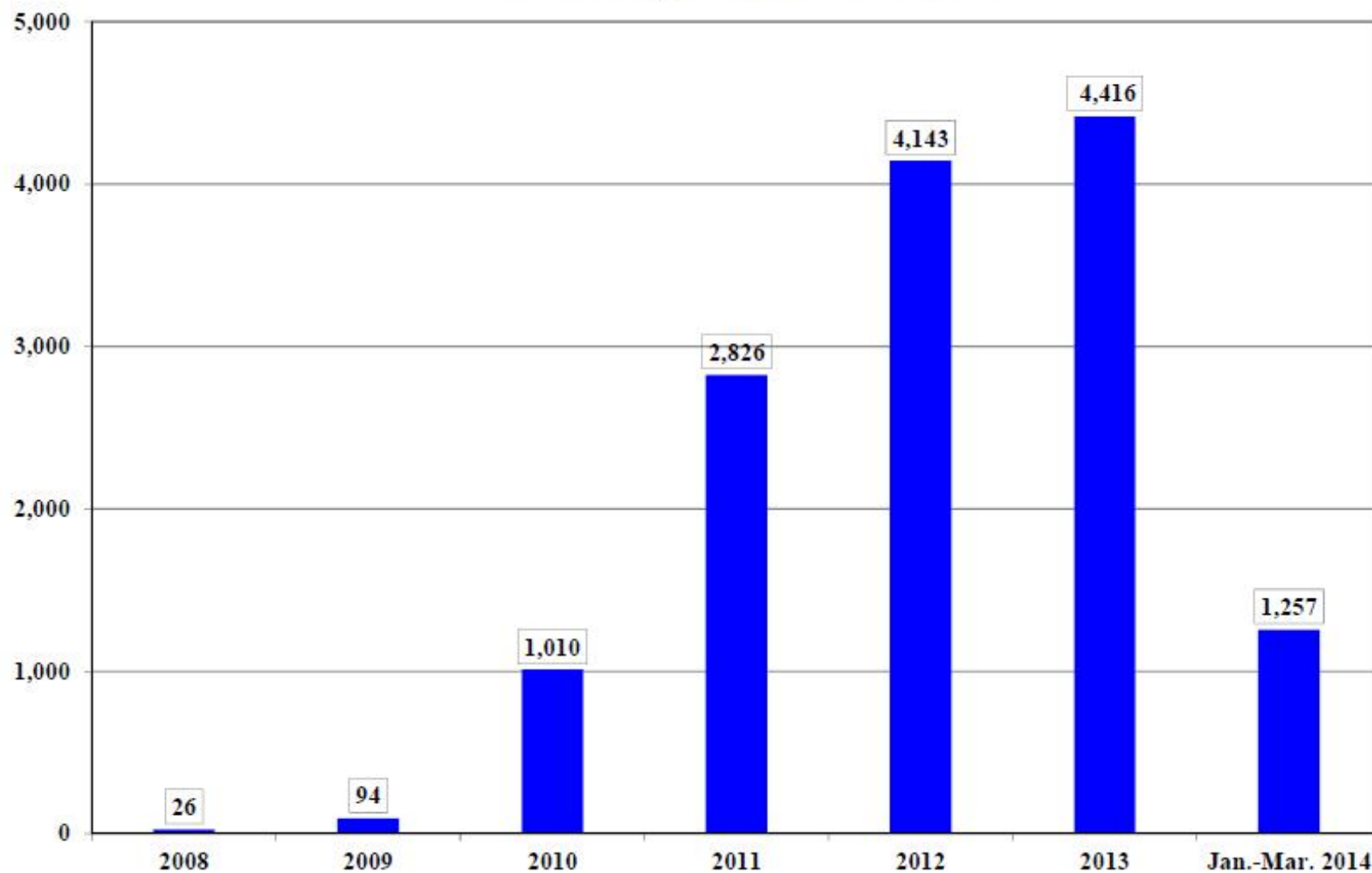




Numbers in the Industry
back up the next phase ...



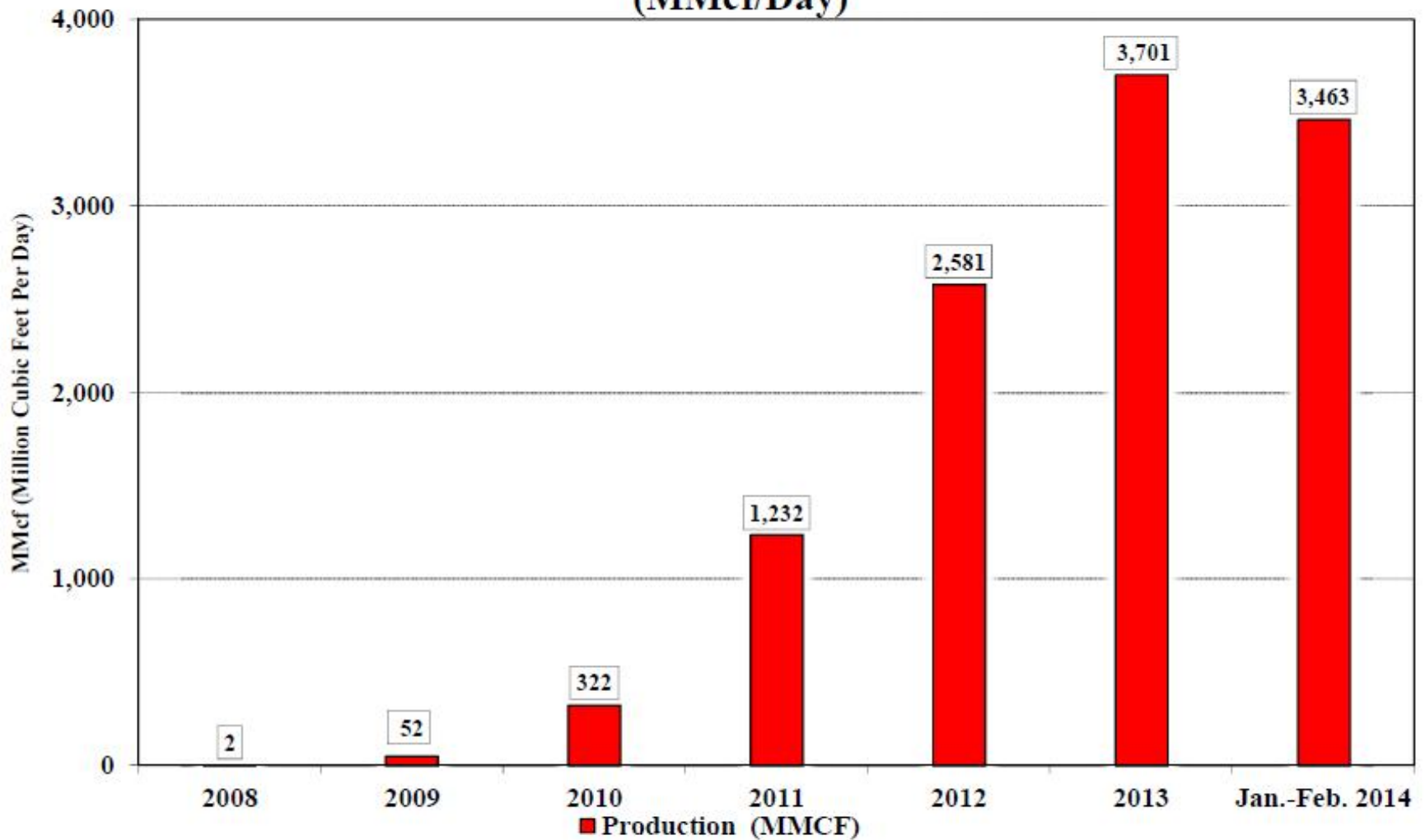
Texas Eagle Ford Shale Drilling Permits Issued 2008 through March 2014



04/09/2014

Source: Texas Railroad Commission DrillingPermitQuery(Includes New Drill & ReEnter Permits)

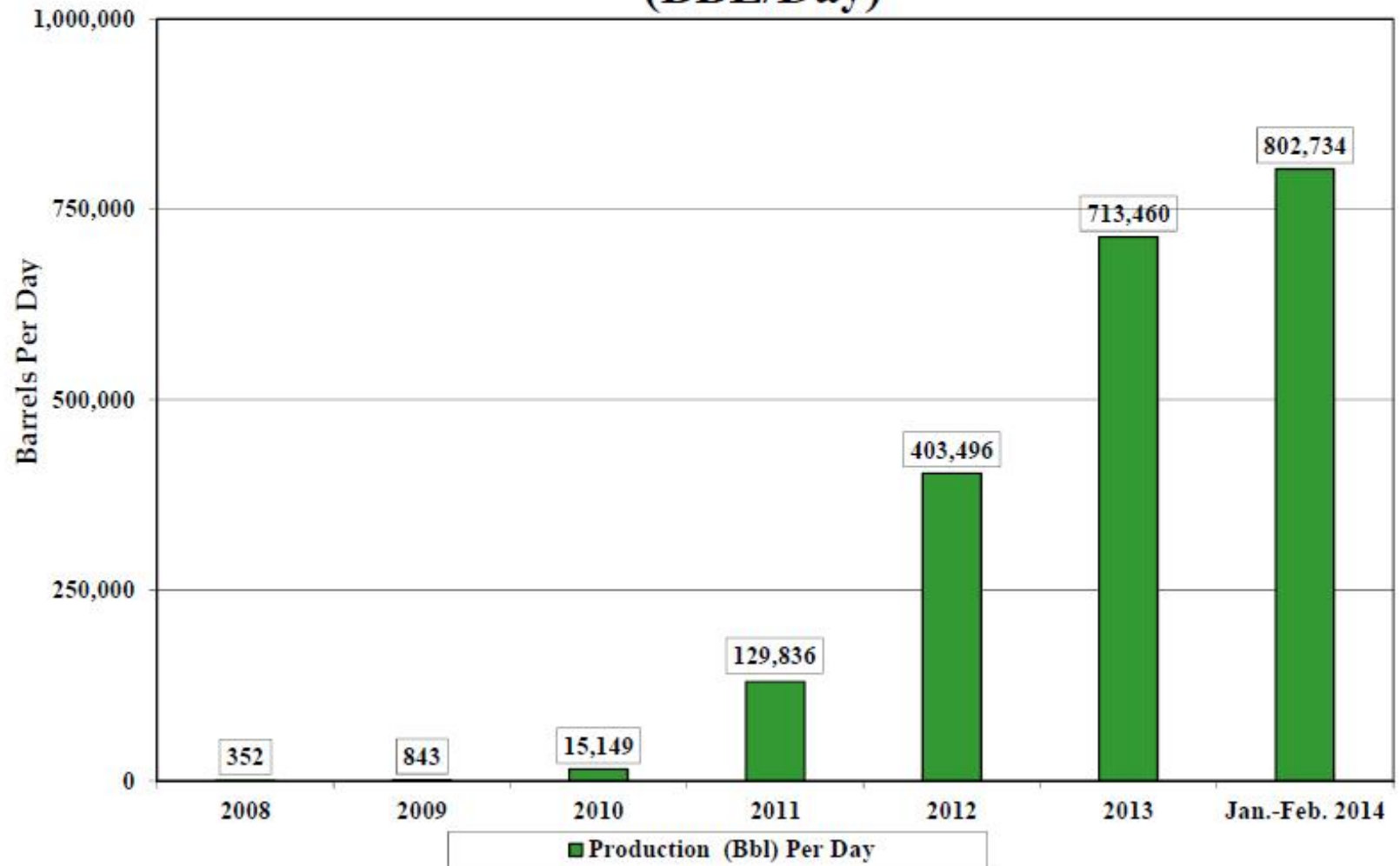
Texas Eagle Ford Shale Total Natural Gas Production 2008 through February 2014 (MMcf/Day)



04/23/2014

Source: Railroad Commission of Texas Production Data Query System (PDQ)

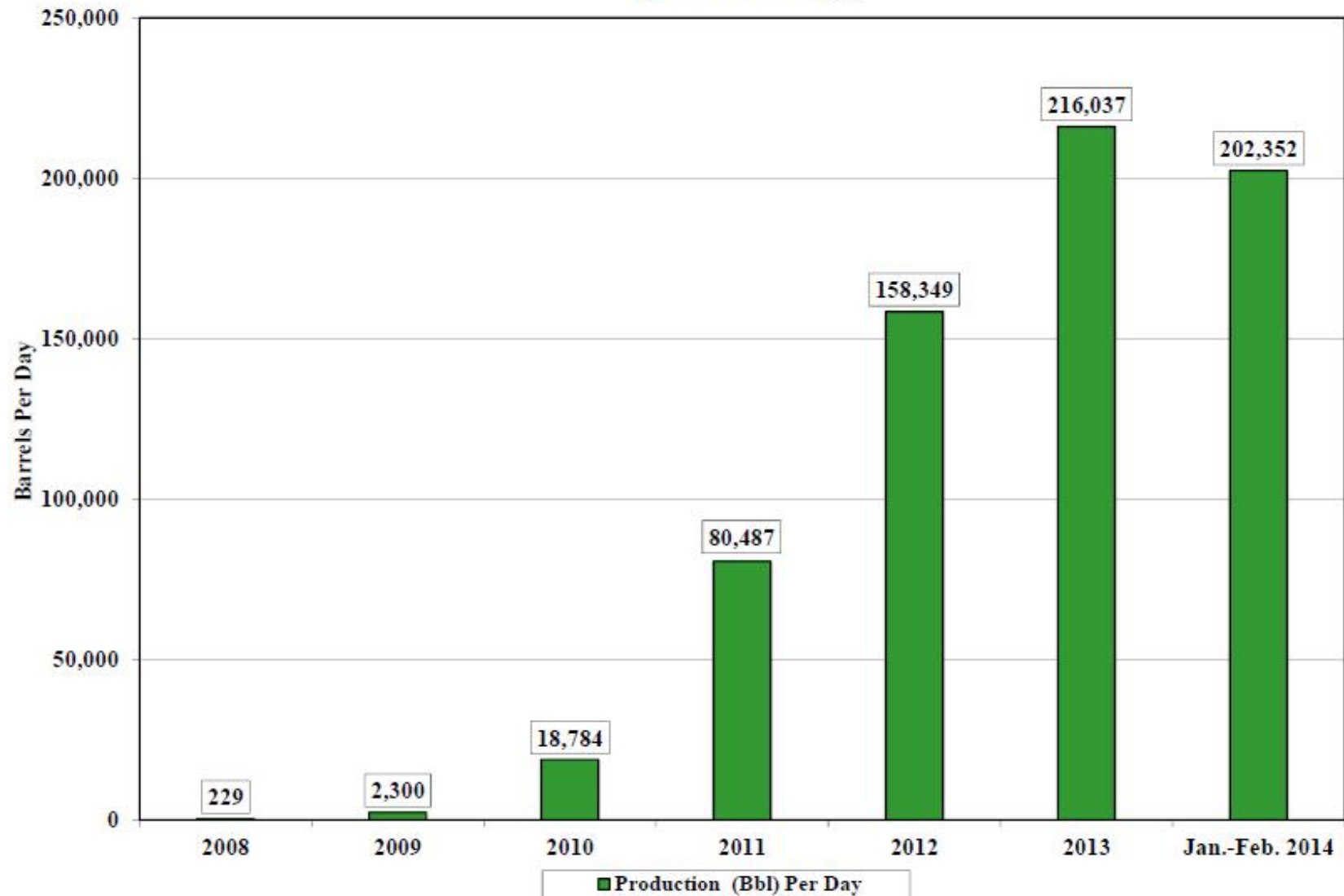
Texas Eagle Ford Shale Oil Production 2008 through February 2014 (BBL/Day)



04/23/2014

Source: Railroad Commission of Texas Production Data Query System (PDQ)

Texas Eagle Ford Shale Condensate Production 2008 through February 2014 (BBL/Day)



04/23/2014

Source: Railroad Commission of Texas Production Data Query System (PDQ)

Current Rig Count 269

Eagle Ford Drilling by Top 10 Counties (10+Rigs as May 12, 2014)

County	Previous	Current
McMullen	27	27
Karnes	31	31
DeWitt	25	25
La Salle	30	29
Dimmit	24	23
Webb	25	23
Gonzales	10	12
Atascosa	17	17
Live Oak	16	15
La Vaca	11	12

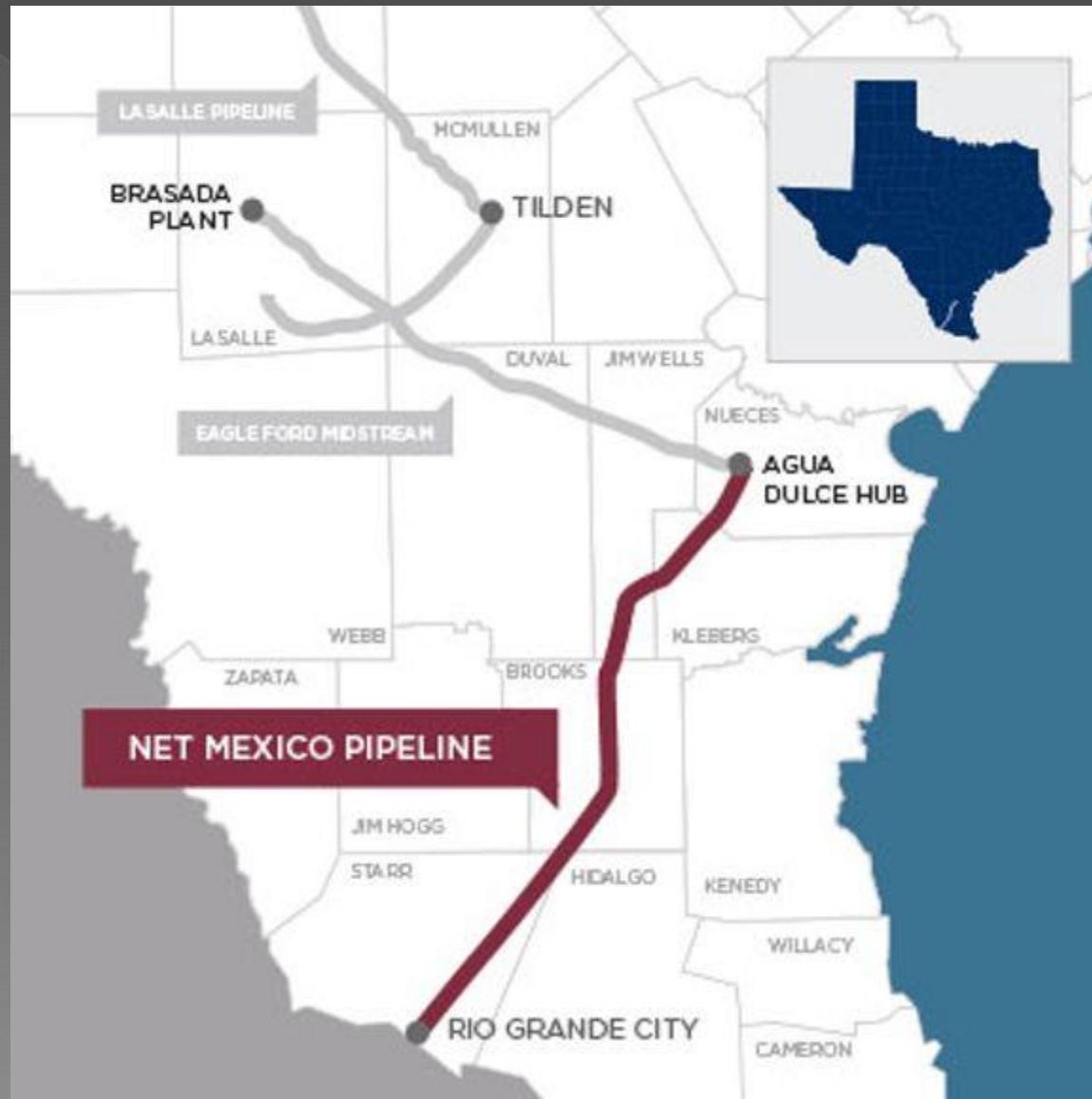


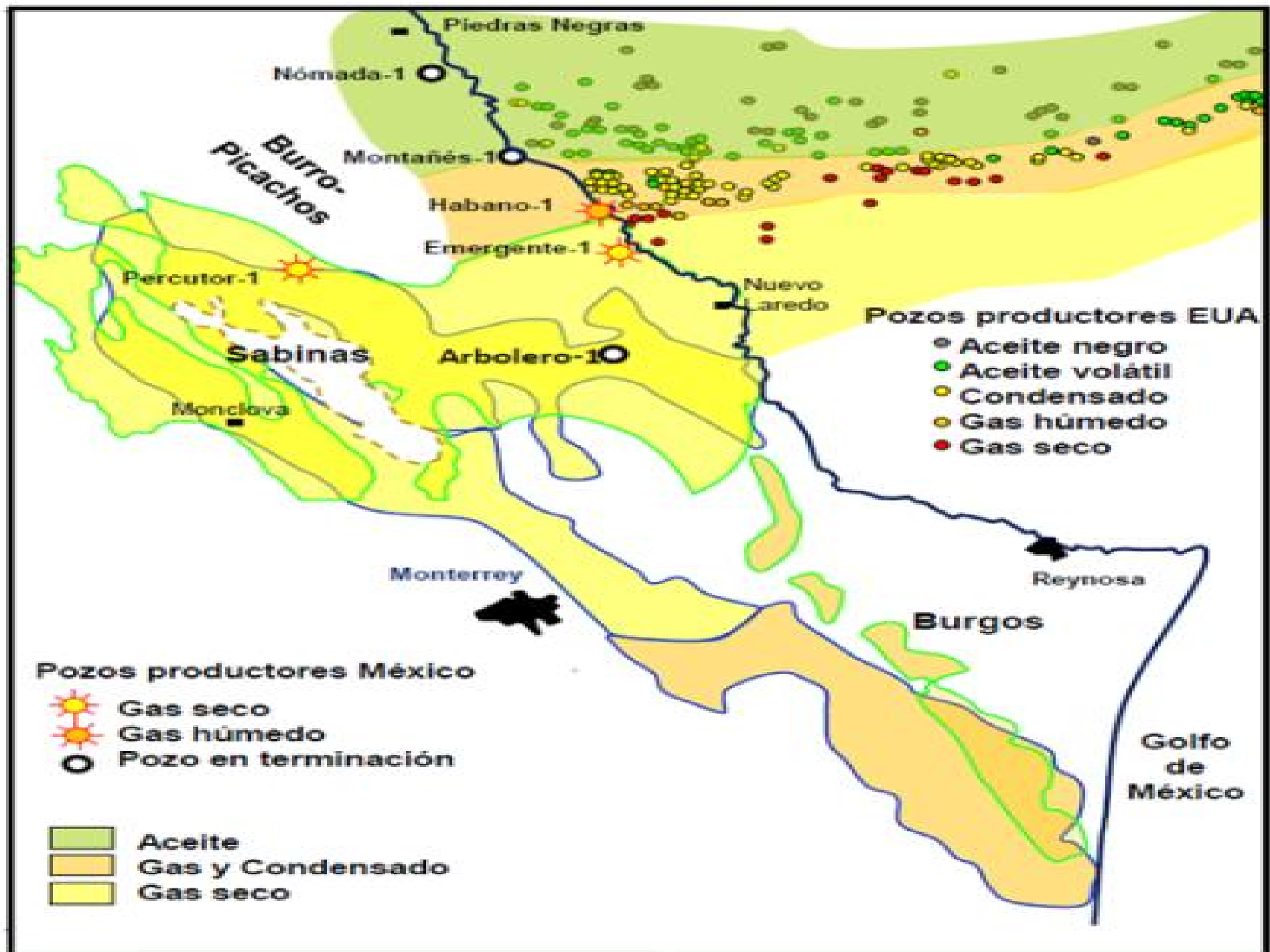
Oil and Gas Operations Expand Towards Ports

- Rig Operations
- Pipelines
- Gathering stations
- Separation Stations
- Refineries
- Ports
- Possible exporting of products



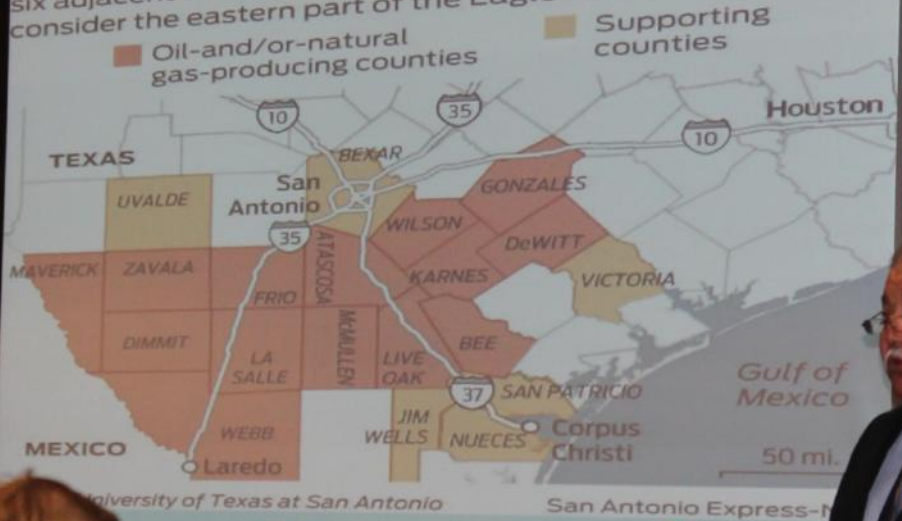
NET Midstream – Mexico Pipeline Map





Border Trade Advisory Committee Presentation

Eagle Ford Shale study
The Eagle Ford Shale had a \$61 billion impact and supported 116,000 jobs last year in a 20-county area, according to a new economic impact study. It looked at the 14 most productive counties for oil and gas, as well as six adjacent counties affected by activity. It did not consider the eastern part of the Eagle Ford formation.



2013 Fall EFC Conference -Corpus Christi , TX



3rd Annual EFC Conference



3rd Annual EFC Conference





Binational Center Library / Texas A&M International University



Binational Center Library / Texas A&M International University

3rd Annual Eagle Ford Consortium Conference



3rd Annual EFC Conference



The Challenges for the next phase...

- Infrastructure
- Safety in Transportation
- Legislation that supports local efforts
- Skills Development



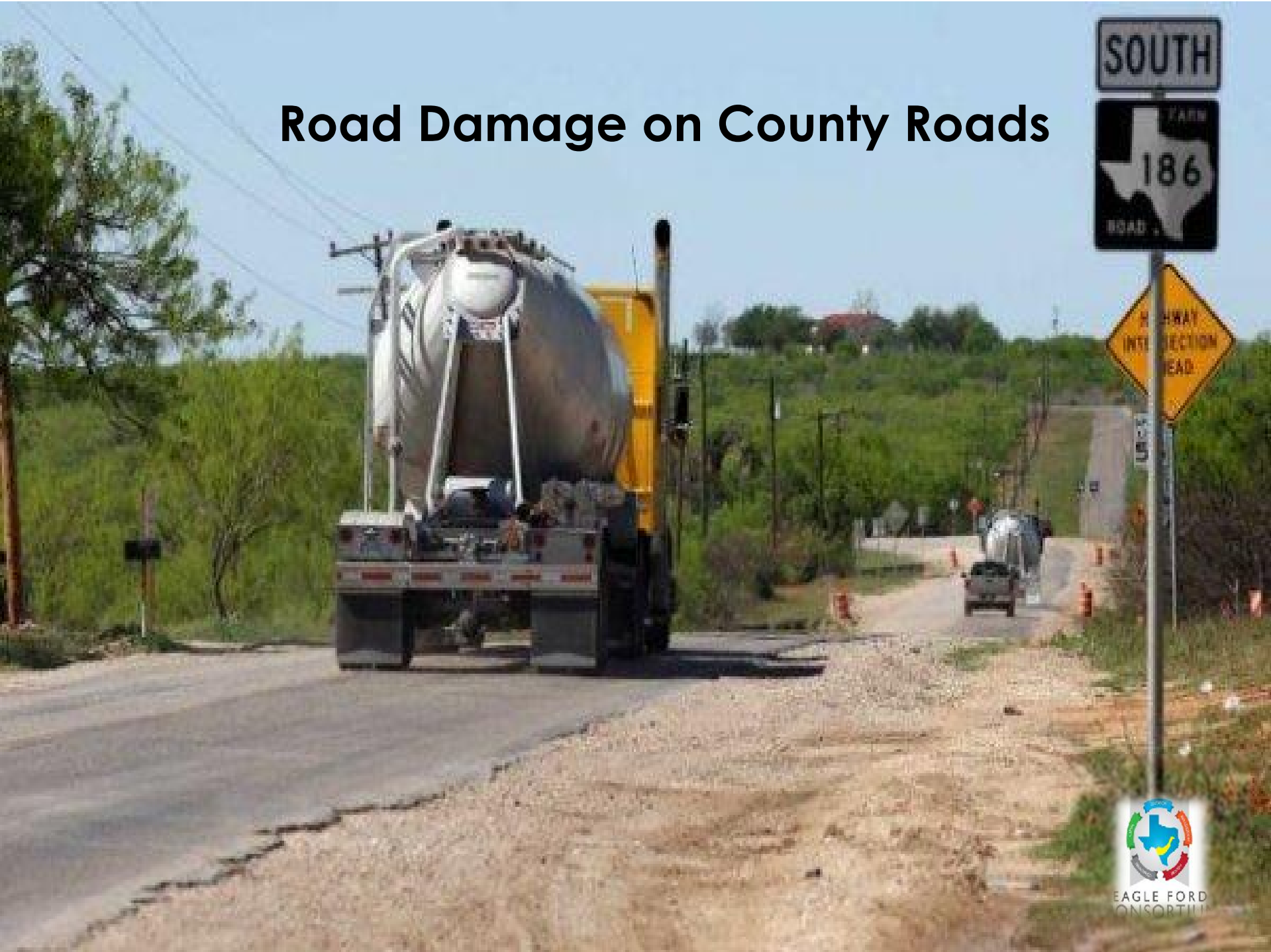
County Road Damage by Heavy Vehicles



Heavy Traffic 24 -7



Road Damage on County Roads



Traffic Congestion



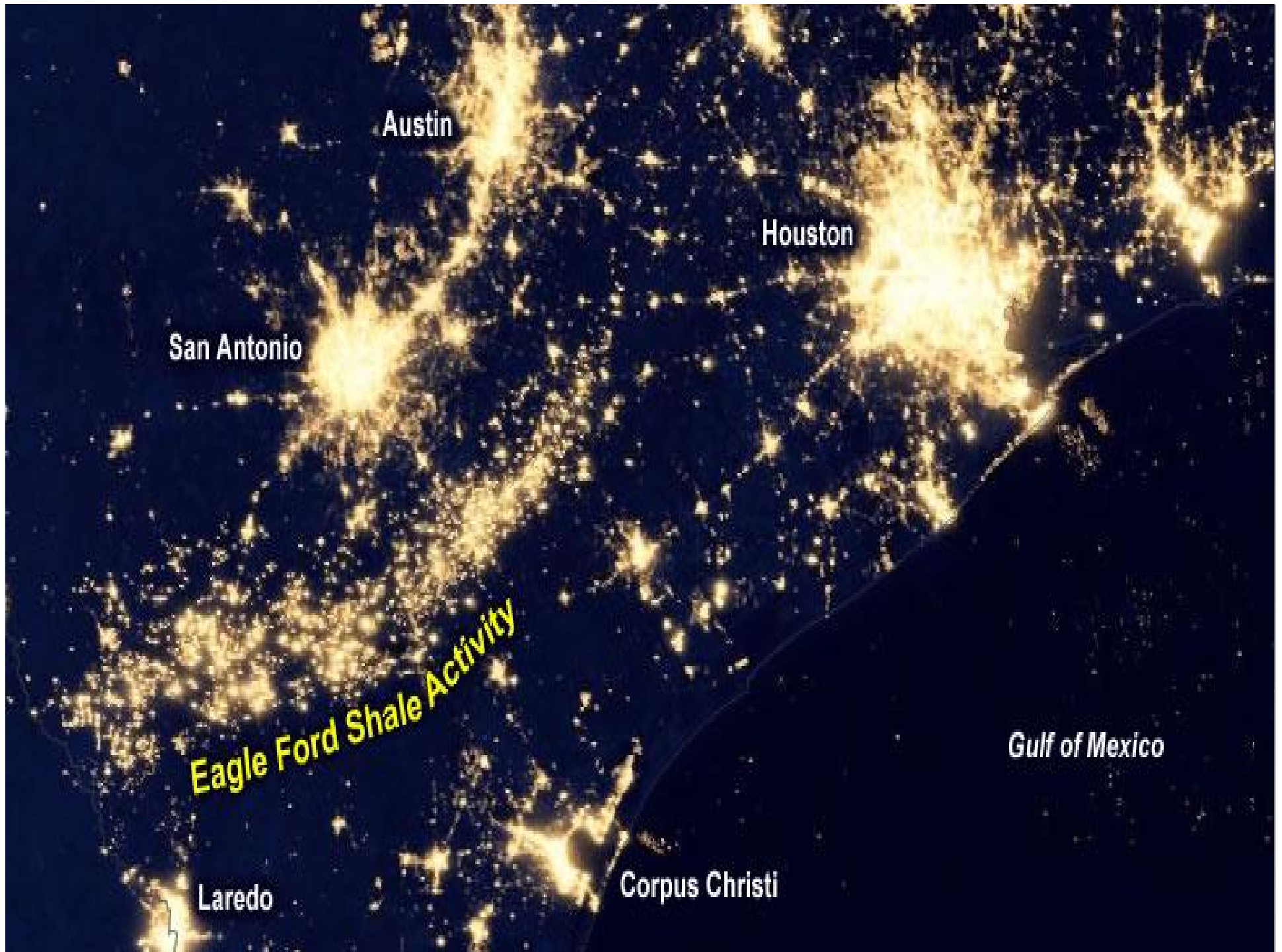
Traffic Congestion in EFS Communities



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Unsafe Railroad Crossings





MARK YOUR CALENDARS



Upcoming Events

Texas Rural Challenge
Waco Convention Center, Waco Texas June 19-20, 2014
Info at: www.TexasRuralChallenge.org



THANK YOU

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Eagle Ford Shale Consortium Chairman

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