

Energy Sector Update



May 21, 2025

Energy Sector Update

This is a story of:

- Partnerships
- Energy Production
- Safety
- Pavement Preservation
- Funding and Commitment



Permian Basin

Partnerships



STRATEGIC PARTNERSHIP

The Permian Strategic Partnership is a coalition of 28 leading Permian Basin energy companies and higher education institutions who joined together to work in partnership with leaders across the region's communities to address current and future challenges to the responsible development of the vast oil and natural gas resources of the Permian Basin in the states of New Mexico and Texas.



PERMIAN

STRATEGIC PARTNERSHIP

 bpx energy

 CHAMPIONX



 CIVITAS

 ConocoPhillips

 COTERRA

 devon

 DIAMONDBACK
ENERGY

 ENERGY
TRANSFER

 eog resources

 ExxonMobil

 HALLIBURTON



 KINETIK

 LIBERTY

 MOC
MEWBOURNE
OIL COMPANY

 OXY

 Ovintiv

 PERMIAN
RESOURCES



 PLAINS

 PROPETRO

 slb

 TARGA



 WATERBRIDGE

 Western Midstream

Importance of Permian Basin to US and Texas Economies

Estimated total annual economic benefits of the oil and gas activity in the Permian Basin.

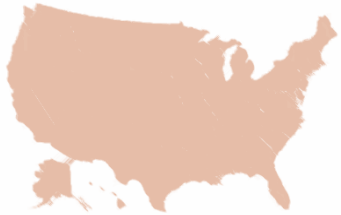


Texas:

- +\$181.2 billion per year in TX GDP
- 7.3% of private-sector GDP
- +645,050 TX Jobs
- +\$1.9 billion in royalty income to Texas Permanent University Fund

Per-Capita Basis:

- +\$21,122 spending per resident
- +\$5,790 GDP per resident
- +\$1,679 income per resident



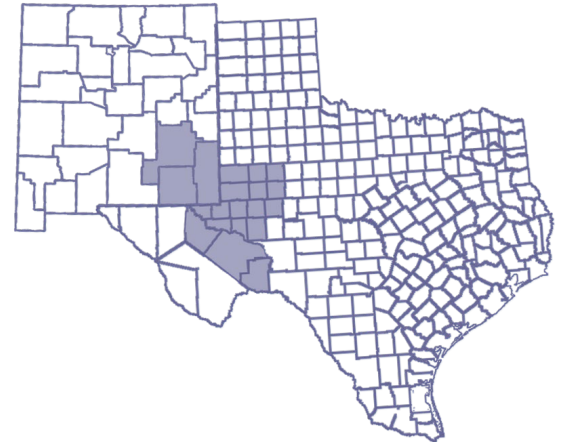
United States:

- +\$217.2 billion per year in US GDP
- +862,250 US Jobs

Source: The Perryman Group

Permian Basin Highlights

- **Current technology only recovers less than 8% of the oil that is in the rocks.**
- **According to Rystad, at \$70 flat, the Permian Basin has 104,500 locations. At \$50 flat, 66,500 locations.**
- The Permian represents over half of all active rigs in the US. The Permian is estimated to make up 50% of US oil production in the next five years.
- If the Permian Basin were its own country, it would be among the top five oil producers in the world.
- The Permian Basin ranks lowest in CO2 emissions per barrel of oil equivalent, among the major onshore producing basins worldwide.
- LNG and oil from the Permian Basin provided more than \$119 billion in contributions to the US Balance of Trade in 2024.



Demand for Workers in the Permian Basin

The Permian Basin is expected to see substantial economic growth (though starting from a somewhat reduced level due to the effects of the pandemic)

- It is projected that the total need for workers (due to economic growth and replacement needs) in the Permian Basin Region will be approximately:
 - **185,570 by 2040**
 - **Double this number for population growth**
- These rapidly growing occupations support the area's energy sector
 - Construction and Extraction workers
 - Roustabouts
 - Derrick drill operators
 - Surface mining and earth drillers
 - Hazardous materials removal workers
 - Truck drivers
 - Engineering and engineering technicians
 - Mechanics



Working Together for a Greater Impact

~\$184M



~\$1.8B

in PSP contributions

in collaborative investments

Education (\$82.5M)

Healthcare (\$63.4M)

Road Safety (\$11.3M)

Workforce (\$23.9M)

Initiative Support (\$2.4M)

PSP Road Safety Initiatives

Roads Committee Goals:

- 1) Improve Safety
- 2) Advocate for public funding
- 3) Collaborate with stakeholders on future needs

Odessa College
Truck Driving
Academy (\$3.5M)



Northeast Midland
Volunteer Fire Station
(\$0.1M)



PSP Investments in Road Safety

TXDOT Hero Trucks (\$3M)



First Responder Training (\$300K)



First Responder Safety
Equipment (\$1.1M)



First Responder Safety
Equipment Phase 2
(\$3.2M)

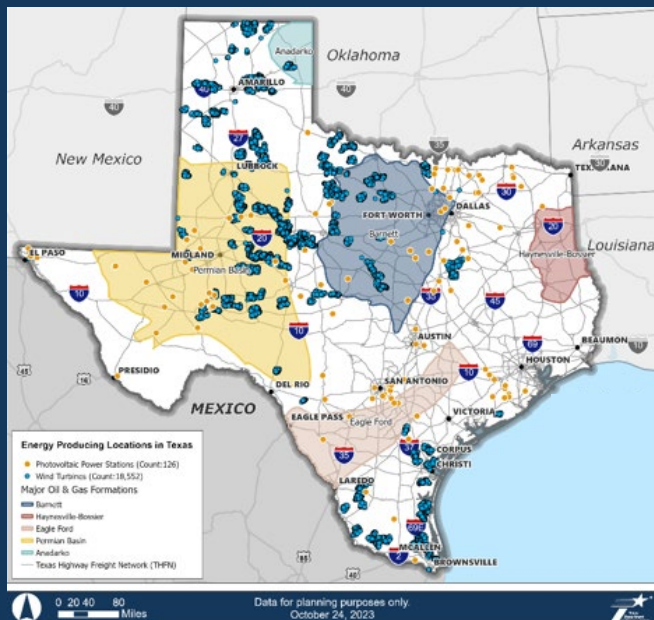


Our partnership brought us together for a common purpose.



Energy Production

Energy Producing Regions in Texas



Crude Oil Production (barrels)

Natural Gas Production (cubic ft.)

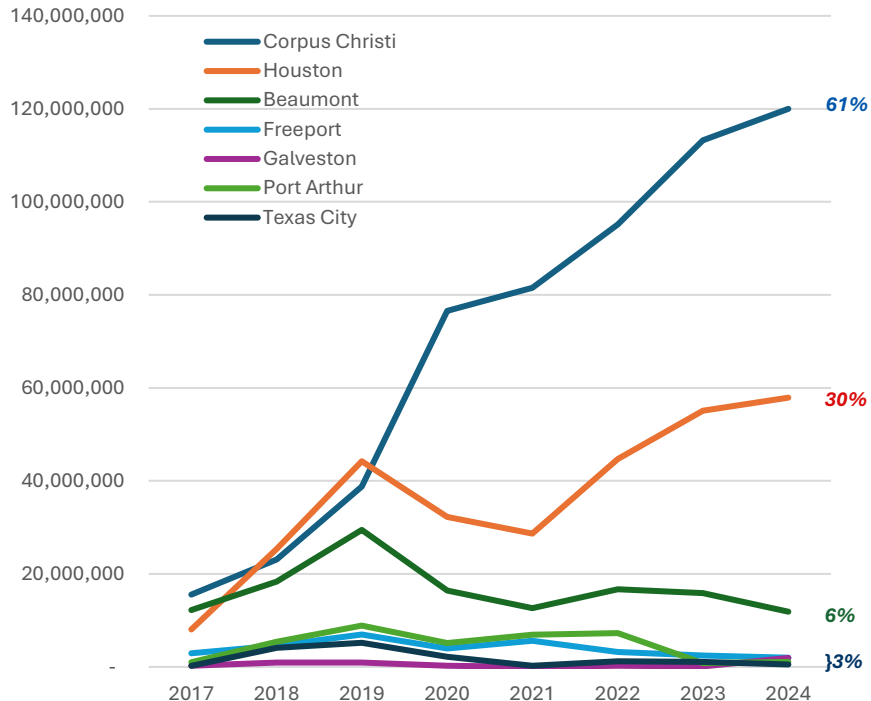
Net Solar Electricity Generation (megawatt hrs.)

Net Wind Electricity Generation (megawatt hrs.)

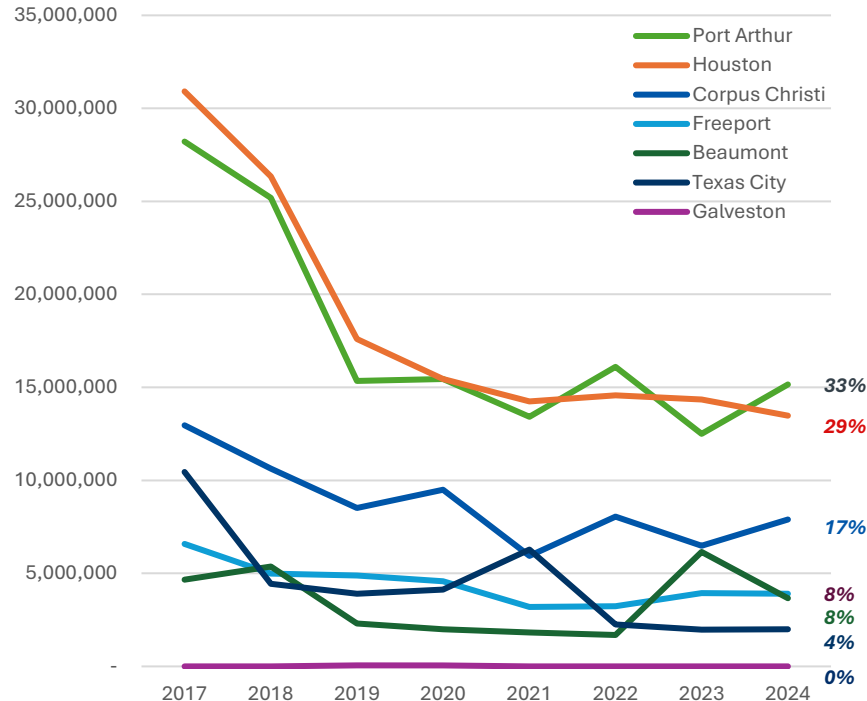
	2019	2020	2021	2022	2023	2024
Crude Oil Production (barrels)	1.86B 41.5%*	1.77B 42.8%*	1.75B 42.4%*	1.87B 42.5%*	2.01B 42.6%*	2.08B 43.0%*
Natural Gas Production (cubic ft.)	10.43T 25.6%*	10.49T 25.8%*	10.74T 25.8%*	11.44T 26.2%*	12.36T 27.1%*	12.96T 28.3%*
Net Solar Electricity Generation (megawatt hrs.)	4.37M 6.1%*	8.54M 9.6%*	14.92M 12.9%*	22.44M 15.6%*	28.15M 17.0%*	39.55M 18.1%*
Net Wind Electricity Generation (megawatt hrs.)	83.62M 28.3%*	92.44M 27.4%*	99.47M 26.3%*	114.79M 26.4%*	119.86M 28.5%*	124.94M 27.6%*

Exports/Imports of Crude Oil through Texas Maritime Ports, 2017 - 2024

Crude Oil Exports, Short Tons
(+ percentages of total, 2024)



Crude Oil Imports, Short Tons
(+ percentages of total, 2024)



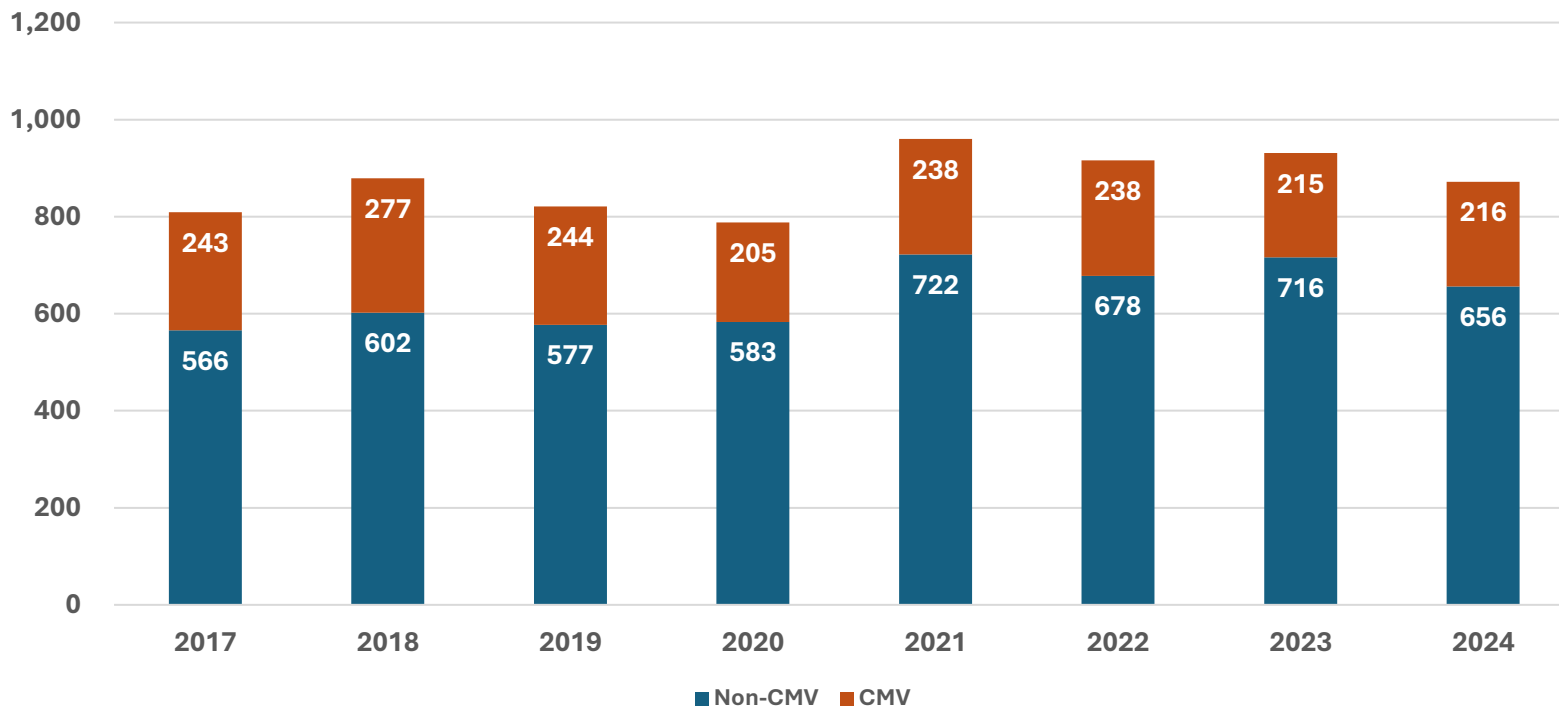
Source: U.S. Census International Trade Data

Safety

Energy Sector – Traffic Fatalities

On-System Fatalities in All Energy Sector Regions

* Data as of 4/15/2025



Energy Sector - Safety Overview

2024 On-System Only	Permian Basin Energy Sector Only	All Energy Sector Regions Combined	Statewide
Commercial Vehicle (CMV) Crashes and Fatalities (% of total)			
CMV Crashes ¹	16%	14%	9%
CMV Fatal Crashes ²	28%	25%	18%
CMV Fatalities ³	28%	25%	18%

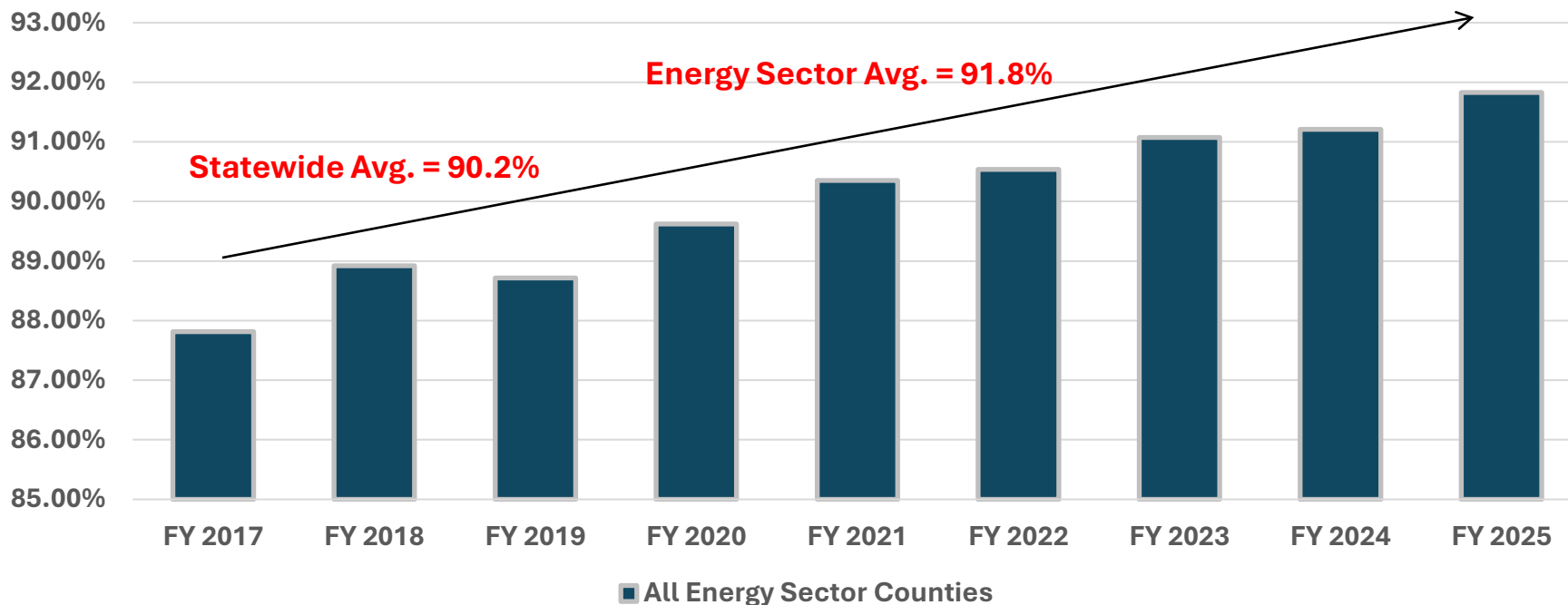
¹Percent Total Crashes; ²Percent Total Fatal Crashes; ³Percent Total Fatalities

Source: TxDOT Crash Statistics, 2024

Pavement Preservation

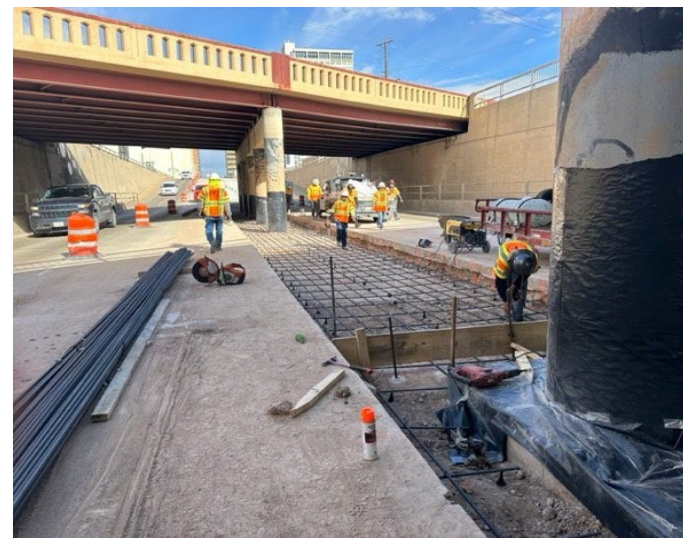
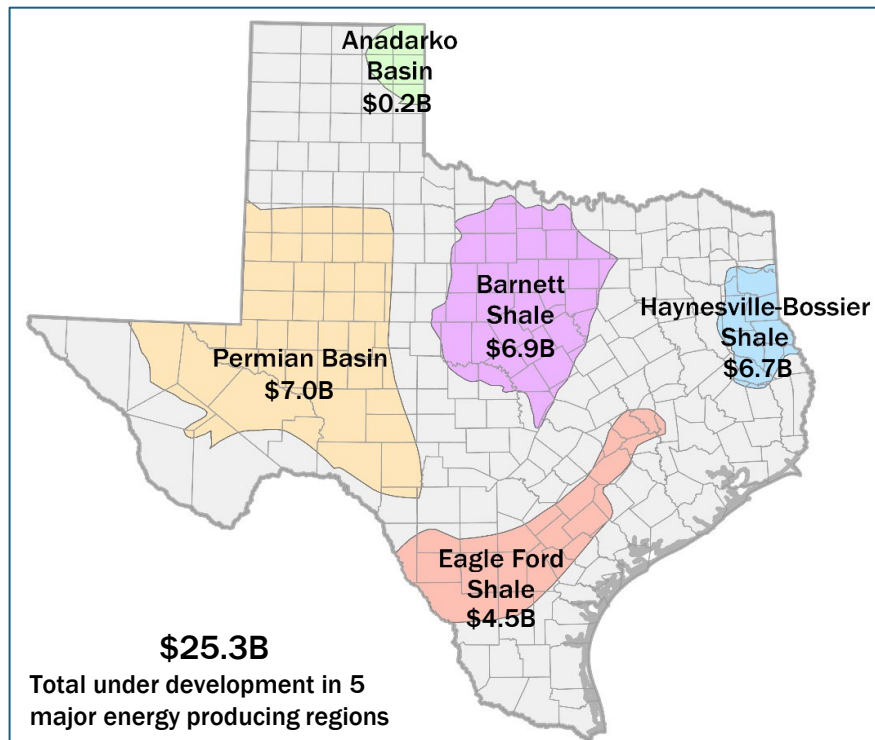
Energy Sector – Pavement Preservation

Pavement Management Information System (PMIS) Condition Score
Percentage of Lane Miles "Good or Better"



Funding and Commitment

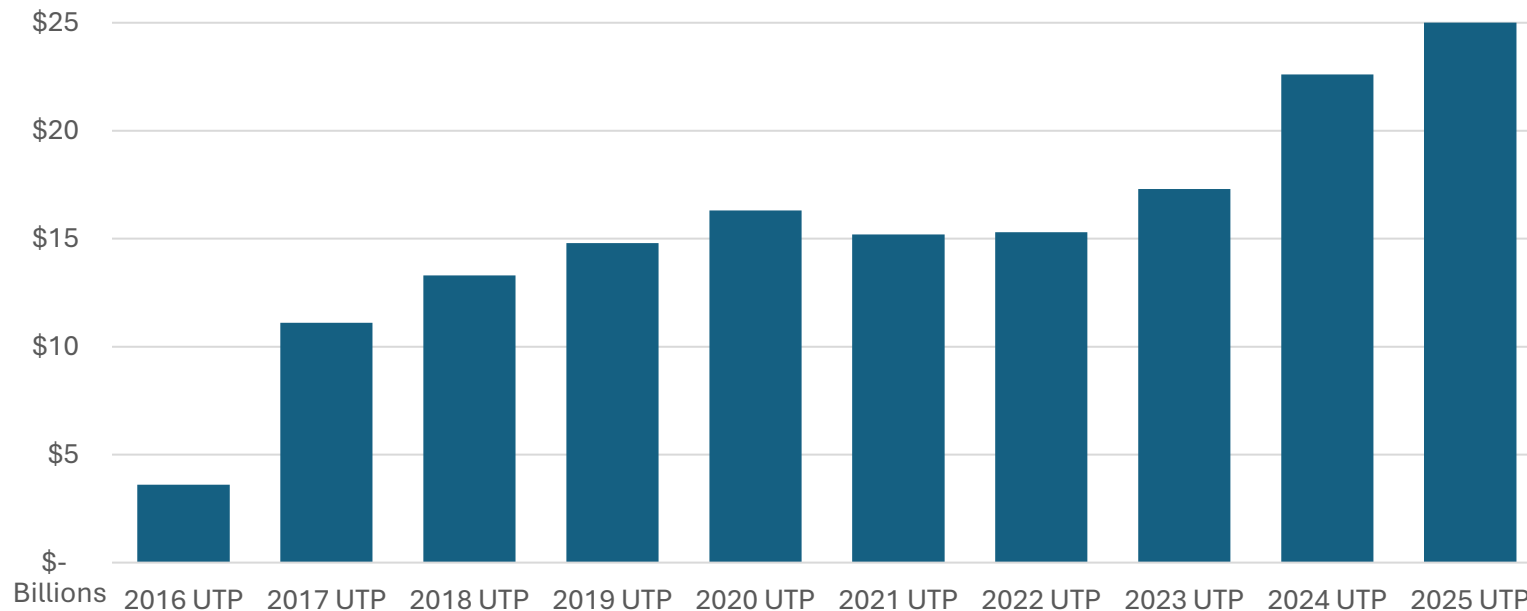
Projects in Energy Producing Regions



Includes fully and partially funded projects in all 12 funding categories in the 2025 UTP (FY 2025-2034) that are located in Texas' energy producing region counties.

Funding - Historical Trend

Historical UTP Funding in All Energy Producing Regions



KEY POINTS

Energy Sector – Key Points

- The Energy Sector is vital to the economy of the nation and Texas.
- Our partnerships are making us stronger.
- Progress is being made; however, challenges remain with safety, roadway preservation, and congestion.
- TxDOT will continue to work with regional stakeholders to respond to the needs of the citizens of Texas and the energy sector.

