



July 21, 2023

By Email

VIA EMAIL (shareholderproposals@sec.gov)

SEC Division of Corporation Finance
Office of Chief Counsel
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Texas Pacific Land Corporation
Stockholder Proposal of Lion Long Term Partners LP

Ladies and Gentlemen:

This letter is submitted by Texas Pacific Land Corporation, a Delaware corporation (the “Company”) pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, to request confirmation that the staff (the “Staff”) of the Securities and Exchange Commission (the “Commission” or the “SEC”) will not recommend enforcement action if, in reliance on Rule 14a-8, the Company excludes from the proxy materials (the “2023 Proxy Materials”) for the Company’s 2023 Annual Meeting of Stockholders (the “2023 Annual Meeting”) a proposal submitted by Lion Long Term Partners LP (the “Proponent”) on June 8, 2023 (together with the supporting statement, the “Proposal”).

Pursuant to Rule 14a-8(j), a copy of this letter is being sent concurrently to the Proponent as notification of the Company’s intention to omit the Proposal from its 2023 Proxy Materials.

The Company is submitting this letter no later than 80 calendar days before the Company intends to file its definitive 2023 Proxy Materials. Pursuant to *Staff Legal Bulletin No. 14D* (Nov. 7, 2008), this letter and its exhibits are being submitted via email to shareholderproposals@sec.gov.

THE PROPOSAL

A copy of the Proposal and the corresponding supporting statement is attached hereto as Exhibit A. The Proposal states as follows:

Resolved, that the Board of Directors of the Company adopt a policy whereby, in connection with any proposal to increase the authorized number of shares of common stock of the Company, other than solely through a stock split, the Company request the New York Stock Exchange (“NYSE”), when first submitting the Company’s proxy materials to the NYSE for review, not to categorize such proposal as routine under Rule 452 of the NYSE’s Guide.

BASES FOR EXCLUSION

We hereby request that the Staff concur in our view that the Proposal may be excluded from the 2023 Proxy Materials in reliance on Rule 14a-8(i)(6) because the Company lacks the power or authority to implement the goal of the Proposal.

ANALYSIS

The Proposal May Be Excluded Under Rule 14a-8(i)(6) Because the Company Lacks the Power or Authority to Implement the Proposal in the Manner that the Proposal Directs

Rule 14a-8(i)(6) permits a company to exclude a shareholder proposal “[i]f the company would lack the power or authority to implement the proposal.” Notably, the Commission has stated that exclusion under Rule 14a-8(i)(6) “may be justified where implementing the proposal would require intervening actions by independent third parties.” Exchange Act Release No. 40018 at n.20 (May 21, 1998) (emphasis added).

The Proposal directs the Board to adopt a policy to request that the New York Stock Exchange (the “NYSE”) not categorize proposals to increase the Company’s authorized shares of common stock, except in case of a stock split, as “routine” under Rule 452 of the NYSE Listed Company Manual (“Rule 452”), attached hereto as Exhibit B. Member organizations (*i.e.*, brokers) delivering proxies on behalf of customers (*i.e.*, beneficial owners of the applicable voting stock) may exercise discretionary voting authority on “routine” matters only. The NYSE makes a determination on whether any particular proposal presented to stockholders is “routine” or “non-routine” (meaning member organizations may **not** vote without customer instructions) based on the application of Rule 452 and information available after proxy materials are reviewed by the NYSE.¹ Generally, “routine” matters are uncontested matters that do not “include authorization for a merger, consolidation or any other matter which may affect substantially the rights or

¹ Rule 452.11 (“In the list of meetings of stockholders appearing in the Weekly Bulletin, after proxy material has been reviewed by the Exchange, each meeting will be designated by an appropriate symbol to indicate either (a) that members may vote a proxy without instructions of beneficial owners, (b) that members may not vote specific matters on the proxy, or (c) that members may not vote the entire proxy.”).

privileges of such stock.” *See* Rule 452. A portion of Rule 452 specifies certain types of proposals that are necessarily deemed “non-routine”. *See* Rule 452.11. An increase in the authorized number of shares of common stock is not on this list.

Further, the NYSE has consistently determined that a proposal to increase the authorized number of shares of common stock of a company, as a standalone matter, is a “routine” matter allowing brokers to exercise their discretion to vote on such proposals without instructions from the beneficial holders of the stock.² This general policy of the NYSE plays an important role for companies, because “[t]he low level of voting response from ‘street’ name account holders to proxy solicitations means that it is often difficult for companies to meet applicable quorum requirements under state law, the company’s constitutive documents or stock exchange rules.”³ For example, for a Delaware corporation, such as the Company, an amendment to the certificate of incorporation to increase the authorized shares of common stock would require the affirmative vote of at least a majority of the outstanding shares of common stock.⁴ The NYSE’s determination of such a proposal as “routine” therefore plays an important role in the ability of public companies to achieve the necessary threshold for approval, because it allows broker votes to be counted even when the brokers do not receive voting instructions from beneficial holders.

There is no mechanism in Rule 452 where companies can request that certain proposals are deemed “routine” or “non-routine,” as this is a decision made solely by the NYSE according to their application of Rule 452 to each proposal. Further, a request that any proposal to increase the authorized shares of common stock be treated as “non-routine” would directly contradict the established position the NYSE has taken on such proposals.

Ultimately, the categorization of the Company’s proposals in any meeting of stockholders as “routine” or “non-routine” depends upon an action by an independent third party – the NYSE – and is not within the Company’s power or authority. The Company cannot compel the NYSE to change Rule 452 and categorize any share increase proposals as “routine,” which is the goal of the Proposal.

The Staff has consistently concurred with the exclusion of proposals requiring action by an entity over which the company to whom the proposal was submitted has no control. For example, in *eBay Inc.* (Mar. 26, 2008), the Staff concurred that a proposal requesting that the company enact a policy prohibiting the sale of dogs and cats on the website in which the company had no role in day-to-day operations and over which it had no operating control, was excludable pursuant to Rule

² *Does Your Proxy Include an Increase in Common Stock or a Reverse Stock Split Proposal?* 2020 Broadridge Financial Solutions, Inc., available at https://www.broadridge.com/assets/pdf/cp_00074_ar_20_proxy_proposal.pdf (“Normally, these proposals would be coded as Routine. However, they are considered Non-Routine if they relate to another transaction such as a merger. The NYSE will be able to confirm what designation you should use; even if you are not an NYSE member firm.”)

³ Securities and Exchange Commission Release No. 34-88736, April 23, 2020, at p. 2. Available at <https://www.sec.gov/rules/sro/nyse/2020/34-88736.pdf>.

⁴ *See* Section 242(b) of the Delaware General Corporation Law.

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14a-8(i)(6). Similarly, the Staff concurred with exclusion of a proposal in *Beckman Coulter, Inc.* (Dec. 23, 2008) requesting that the company implement a set of executive compensation reforms at The Bank of New York Mellon, an unaffiliated bank which served as a trustee for the company under an indenture agreement. The company argued that it was impossible for it to implement the reforms requested by the proposal because it did “not directly or indirectly control” the bank nor did it “have any direct or indirect interest” in the bank. *See also Catellus Development Corp.* (Mar. 3, 2005) (concurring with the exclusion under Rule 14a-8(i)(6) of a proposal requesting that the company take certain actions related to property it managed but no longer owned); *Ford Motor Co.* (Mar. 9, 1990) (concurring with the exclusion of a proposal under the predecessor to Rule 14a-8(i)(6) because the proposal “relate[d] to the activities of companies other than the [c]ompany [to whom the proposal was submitted] and over whom the [c]ompany ha[d] no control”).

Similar to *eBay* and *Beckman Coulter*, the Company does not have the power or authority to unilaterally compel the NYSE to change Rule 452 and categorize any share issuance proposals as “routine”. Accordingly, for the reasons set forth above and consistent with the aforementioned precedents, the Proposal is excludable under Rule 14a-8(i)(6) because the Company lacks the power or authority to implement the goal of the Proposal.

CONCLUSION

For the foregoing reasons, the Company requests your confirmation that the Staff will not recommend any enforcement action to the Commission if the Proposal is omitted from the 2023 Proxy Materials.

We would be happy to provide any additional information and answer any questions regarding this matter. Should you have any questions, please contact the undersigned at mdobbs@texaspacific.com or (214) 969-5530.

Sincerely,



Micheal W. Dobbs
Senior Vice President, General Counsel and
Secretary

Enclosures

cc: Lion Long Term Partners
John Glenn Grau, President of InvestorCom, as representative

Exhibit A

Lion Long Term Partners LP

June 8, 2023

Via Email and FedEx

Texas Pacific Land Corporation
1700 Pacific Avenue
Suite 2900
Dallas, Texas 75201

Attention: Company Secretary

Ladies and Gentlemen:

Lion Long Term Partners LP ("LLTP") is the beneficial owner of common shares of Texas Pacific Land Corporation (the "Company") with a value in excess of \$25,000.00. LLTP has held these shares continuously for more than 12 months and plans to continue to hold these shares through the next annual meeting of the stockholders of the Company.

LLTP hereby submits the following proposal and supporting statement pursuant to Rule 14a-8 promulgated by the SEC under Securities Exchange Act of 1934, as amended, for inclusion in management's proxy materials for the next meeting of stockholders.

The undersigned is able to meet with the Company in connection with this proposal, in accordance with, and on the dates and times specified in, Rule 14a-8(b)(1)(iii).

Proposal

Resolved, that the Board of Directors of the Company adopt a policy whereby, in connection with any proposal to increase the authorized number of shares of common stock of the Company, other than solely through a stock split, the Company request the New York Stock Exchange ("NYSE"), when first submitting the Company's proxy materials to the NYSE for review, not to categorize such proposal as routine under Rule 452 of the NYSE's Guide.

Supporting Statement

Most shares of public companies are held in street name by brokers. In connection with meetings of stockholders, brokers vote the shares held in street name on matters presented at the meeting in accordance with instructions given to them by the beneficial owners of the shares. If no instructions are given, the brokers can only vote the shares on matters deemed "routine" by the exchange on which the shares are traded. On routine matters, brokers typically vote the shares in accordance with management's recommendations if no instructions are given to them by the beneficial owner of the shares.

At the 2022 annual meeting of stockholders (held November 16, 2022), management presented a proposal (Proposal 4) to increase by some sixfold the authorized number of shares of common stock of the Company. The proposal was defeated (i.e., a majority of the votes cast voted against the proposal), but management adjourned the meeting solely on this proposal to May 18, 2023, in an attempt to secure a sufficient number of votes to approve the proposal. The stockholders overwhelmingly voted down the proposal at the adjourned meeting (62% of the shares voting on the proposal rejected it).

It is important that in any future meeting of the stockholders of the Company in which management again presents a proposal to increase the authorized number of shares of common stock of the Company that the stockholders of the Company, and not street name brokers, vote on the proposal. Proposal 4, presented to the stockholders at the 2022 annual meeting, would have, if adopted, permitted a dramatic change in the historic focus of the Company of collecting royalty payments, selling land assets, and using the proceeds to repurchase outstanding common shares, thus enhancing stockholder value. The stockholder proposal presented above would facilitate voting by the owners of the Company's shares through an instruction to the NYSE *not* to categorize any such common stock authorization proposal as routine, thereby requiring street name brokers to seek the input of the beneficial owners of the shares on the proposal before voting the shares. While there can be no assurance that the NYSE would accede to a Company request that a common stock authorization proposal be categorized as non-routine, LLTP believes such a request would be given weight by the NYSE. Section 4 of the NYSE Listed Company Manual addresses Shareholder Meetings and Proxies. Section 4 contemplates a collaborative process between listed companies and the NYSE in the filing and review of proxy materials for shareholder meetings and the use and voting of proxies.

Very truly yours,

Stephen Nicholas Walker
York GP Ltd.
General Partner of
Lion Long Term Partners LP

Exhibit B

