OIL COMPANIES IN THE SAN JUAN BASIN AND THEIR RECORD OF ENVIRONMENTAL DAMAGE

SUMMARY: As the Biden administration considers protecting a 10-mile buffer zone around Chaco Culture National Historic Site. Oil and gas companies operating near Chaco Canyon have sordid histories of pollution in New Mexico. Enduring Resources, Hilcorp, EOG Resources, and DJR Energy have been responsible for myriad spills and incidents around Chaco Canyon, polluting nearby air and waters. Incidents include:

- Enduring Resources caused a 59,000 gallon spill in Chaco Culture National Historical Park, followed just days letter by an explosion at a nearby wellsite;
- DJR Energy is responsible for 161 oil and gas incidents in New Mexico since 2017, including 22 on Native land:
- EOG Resources caused nearly 3,000 flaring instances in New Mexico in just two years;
- Hilcorp was fined over \$1.62 million for failing to report spills or fix problems at facilities throughout the San Juan Basin.

These same companies have repeatedly pursued projects without consulting with or in direct opposition of Native American tribes. These include:

- Hilcorp tried to double its well density in the San Juan Basin without consulting impacted Native American tribes:
- DJR Resources is suing to allow fracking near archeological and cultural sites in the Mancos Shale;
- EOG Resources failed to consult any of the 17 tribes with historical presences in the Powder River Basin for their Sand Creek oil and gas project.

EOG Resources and Hilcorp have especially long and troubling histories of environmental violations, with both companies serving as top methane emitters in the US oil and gas industry. Between the two of them, EOG Resources and Hilcorp have paid over \$3.4 million in environmental violations. Hilcorp was even accused by regulators in Alaska of making a disregard for regulations "endemic" to the company's operations.

Oil And Gas Companies Attempting To Drill Near Chaco Have A History Of Polluting New Mexico And Pursing Extractive Projects Without Consulting With Or Explicitly Opposed By Tribes.

Enduring Resources, Logos Resources, Hilcorp, EOG Resources, And DJR Energy Have Oil And Gas Activity Near The Chaco Cultural National Historical Park.

Enduring Resources LLC Holds Hundreds Of Oil & Gas Leases Around Chaco Cultural National Historical Park "Enduring Resources IV LLC is a corporation operator based in Farmington, New Mexico for 487 oil and gas leases — 474 are authorized, 2 are pending, and 11 are closed." [The Drillings, accessed 2/28/2021]

• Enduring Owns Over 920 Gas & Oil Wells Across NW New Mexico. Enduring Resources of Denver owns both wells and more than 920 others in New Mexico, all of them in the northwest corner of the state. [Capital & Main, published 3/29/2021]

Logos Resources Is "Still Acquiring Legacy Wells" In The San Juan Basin. "Most recently, just New Mexico-based Logos Resources II LLC, which is still acquiring legacy wells in the basin, has been operating a rig in the San Juan." [E&E News, 08/13/22]

DJR Energy Obtained The Largest Position In The Oil Window Of The San Juan Basin After Buying Encana's Assets For \$480M. "Denver-based DJR Energy has completed its \$480 million purchase of the assets of Encana Oil and Gas in northern New Mexico's San Juan Basin. The deal, announced in October, gives DJR the largest position in the core of the oil window in the San Juan Basin with more than 350,000 net acres, an inventory of more than 1,100 high-value drilling locations and a midstream gathering system, the company said in a statement Thursday." [Denver Post, 12/28/18]

EOG Resources Holds Over 100 Drillings Permits In The Chaco Region. "In the past year, Diné CARE and WildEarth Guardians have filed multiple legal challenges against the BLM for its approval of hundreds of lease sales and drilling permits in the greater Chaco region, including more than 100 permits issued to EOG Resources, a former Enron affiliate that amassed 40 parcels covering 45,000 acres of public land under the Trump administration." [*Grist*, 02/17/22]

Oil And Gas Activity From Companies Including Hilcorp Occurs "A Few Miles Away" From Chaco Canyon In The San Juan Basin And Would Potentially Be Impacted By The Buffer Zone. "But from her perch within the Biden administration, Haaland has to weigh the concerns of oil and gas companies that want to drill near the park with those of environmental advocates demanding retirement of the federal oil program. [...] ConocoPhillips sold its assets in the basin to Houston-based Hilcorp, known for collecting declining assets and making a profit from them. The following year, Encana sold its gas portfolio to Denver-based DJR Energy. Most recently, just New Mexico-based Logos Resources II LLC, which is still acquiring legacy wells in the basin, has been operating a rig in the San Juan. [...] However, Hilcorp spokesperson Nick Piatek defended the company's ability to keep an older field in the basin working and stressed that the company's interests are a few miles away from the Chaco historical park." [E&E News, 08/13/21]

Enduring Resources Was Responsible For 2019 Spill And Subsequent
Explosion Near Chaco Canyon But Faced No Legal Or Financial Consequences.

In 2019, Enduring Resources Was Responsible For A 59,000-Gallon Spill Near Chaco Canyon. "...more than 1,400 barrels of fracking slurry mixed with crude oil had drained off the wellsite owned by Enduring Resources and into a snow-filled wash. From there, that slurry — nearly 59,000 gallons – flowed more than a mile downstream toward Chaco Culture National Historical Park before leaching into the streambed over the next few days and disappearing from view." [Capital & Main, published 3/29/2021]

Three Days Later There Was An Explosion In At A Nearby Wellsite. "Then three days after the spill, something ignited and exploded 2,100 feet away on another wellsite owned by Enduring Resources, starting a fire that took local firefighters more than an hour to put out." [Capital & Main, published 3/29/2021]

The Two Accidents Accounted For 1% Of Oil And Gas-Related Incidents That Happened In NW New Mexico In 2019. "The two accidents account for just 1% of oil and gas related incidents that happened in northwestern New Mexico in 2019, according to statistics kept by the New Mexico Oil Conservation Division (OCD). Since those two, there have been another 317 accidents in the region as of March 29, including oil spills, fires, blowouts and gas releases." [Capital & Main, published 3/29/2021]

• Enduring Did Not Face Any Fines Or Penalties For Either The Fracking Spill Or Well Fire. "Enduring Resources faced no fines and paid no penalties for either the fracking spill or the well fire. There is no violation in spilling fracking waste or wells catching fire in New Mexico. The only violation is in not reporting accidents. Since Enduring Resources promptly reported both, OCD played a supervisory role that consisted of approving the remediation plan and site cleanup." [Capital & Main, published 3/29/2021]

In Its Short Existence, DJR Energy Has Caused 161 Oil And Gas Incidents On And Around Federal And Tribal Lands In New Mexico.

DJR Energy Is Responsible For 161 Incidents In New Mexico Since 2017. DJR was cited for 103 incidents of flaring. DJR has additionally been cited for releases on state, federal, and tribal lands. This includes:

- Twenty-two releases on federal land;
- Thirteen releases on Indian land;
- Eight releases on Jicarilla Apache land;
- And one major spill on Navajo land.

[State of New Mexico Oil Conservation Division, OCD Permitting, Spill Search, accessed 03/16/22]

In 2021, DJR Energy Was Responsible For Over A Third Of All Incident In The Aztec District Of New Mexico. The Aztec district in New Mexico had 290 incidents in 2021, 102 of which were caused by DJR Energy. [State of New Mexico Oil Conservation Division, OCD Permitting, Spill Search, accessed 03/16/22]

In 2019, The New Mexico Environment Department Found That DJR Energy Was Releasing "Significant Emissions" In Violation Of Regulations.

In 2019, The New Mexico Environment Department Found DJR Releasing "Significant Emissions" In Violation Of Air Quality Regulations. "The information provided to NMED's Air Quality Bureau suggests the Facility allegedly operated in violation of an air quality regulation on the following date: October 27, 2019. [...] The information provided in the video indicates significant emissions are venting from the storage vessels and are not being routed to the flare or enclosed combustor." [New Mexico Environment Department, 11/25/19]

DJR Energy Potentially Caused "Excessive Natural Gas Emissions" Around Chaco Canyon And The Jicarilla Apache Nation Reservation In 2020.

DJR Energy Was Flagged As A Potential Violator Of State Air Quality Laws Through "Excessive Natural Gas Emissions" Near Chaco Canyon. "Seven potential violations of state air quality laws by oil and gas operators in New Mexico were filed by the New Mexico Environment Department in response to concerns from environmentalist groups. The potential violations, identified by alleged excessive natural gas emissions from facilities in New Mexico's two main oil and gas regions – the San Juan Basin area to the northwest and the Permian Basin in the southeast, were added to NMED's online map of potential violations, per a Tuesday news release. [...] In the Chaco Canyon area, near the Jicarilla Apache Nation Reservation, four more facilities with potential violations were owned by DJR Energy and Enduring resources." [Carlsbad Current Argus, 01/15/20]

<u>In Just Two Years, EOG Resources Had Nearly 3,000 Instances Of Flaring In New Mexico.</u>

EOG Resources Had 2,977 Instances Of Major And Minor Flaring In New Mexico In Just The Last Two Years. [New Mexico OCD Permitting, Spill Search, accessed <u>04/05/22</u>]

Hilcorp Is Responsible For 208 Oil And Gas Incidents On State, Federal, And Tribal Lands In New Mexico.

Hilcorp Is Responsible For 208 Oil And Gas Related Incidents In New Mexico Since 1991. These include

- 82 incidents on federal lands;
- Seven incidents on Indian land in just the last six years;
- Two incidents on Jicarilla land;
- And three releases on Navajo land.

[New Mexico Oil Conservation Division, OCD Permitting, Spill Search, accessed 03/28/22]

Of The Top Leasers Of Federal Land, Hilcorp Energy Is The Largest Leaser Of Federal Land In New Mexico, Controlling 1,028 Leases Totaling 740,843 Acres. Hilcorp Energy leases 17% of federally-managed oil and gas leases in New Mexico. [Data From The Bureau Of Land Management]

Hilcorp And Its Subsidiary, Harvest Midstream, Have Incurred Over \$1.62M In Fines For Failing To Report Spills Or Fix Problems At Their Facilities Throughout The San Juan Basin.

In 2021, Hilcorp Was Fined \$1.62M By The State Of New Mexico For Failing To Fix Unauthorized Releases At Six Different Locations In The San Juan Basin. "The state's primary oil and gas regulator has issued a notice of violation to Hilcorp Energy Company for allegedly improper remediation work at six locations in the San Juan Basin. The New Mexico Oil Conservation Division stated in a Sept. 1 news release that Hilcorp failed to remediate unauthorized releases at the sites and is out of compliance with plans approved for operations and reporting conditions. The violations total \$1.62 million, and the amount is based on an assessment the division's inspectors completed in August, according to the division's news release." [Farmington Daily Times, 09/02/21]

• Hilcorp's Fine Was The Largest Civil Penalty Issued By The Oil Conservation Division Since The Regulator Regained Its Ability To Assess Penalties In 2020. "Oil Conservation Division Director Adrienne Sandoval said in the division's news release that this is the largest civil penalty issued since the division's ability to assess penalties was reinstated in 2020 – sending the message that the division takes compliance obligations seriously." [Farmington Daily Times, 09/02/21]

Hilcorp Affiliate Harvest Midstream Was Fined For Failing To Report A Major Spill Into A Waterway For 44 Days In New Mexico In 2020. "In New Mexico, Hilcorp's affiliate Harvest was fined for not reporting a major spill into a waterway for 44 days." [Anchorage Daily News, 10/30/21]

<u>Hilcorp Sought To Double Its Well Density In The San Juan Basin Without Speaking With Impacted Native American Tribes.</u>

The New Mexico National Resources' Oil Conservation Commission Approved Hilcorp's Application To Double Its Well Density In A 1.3M Acre Section Of The San Juan Basin. "Over the objections of New Mexico's elected officials and State Land Office attorneys, the state Energy, Minerals and Natural Resources' Oil Conservation Commission has approved an application from Hilcorp Energy to double oil well density in a 1.3 million-acre portion of the San Juan Basin in the state's northwestern corner." [Santa Fe Reporter, 11/19/18]

State Officials And The Navajo Nation Council Delegate Sought Requested The Hearing Be Delayed, Citing, In Part, Concerns Over The Potential Impact To State Trust Land.

"Representative-elect Debra Haaland, New Mexico State Land Commissioner-Elect Stephanie Garcia Richard, Senate Majority Leader Peter Wirth, Navajo Nation Council Delegate-elect Daniel Tso, and House Energy, Environment and Natural Resources Committee Chair and state Rep. Matthew McQueen also all requested the hearing be delayed, according to a filing by the Western Environmental Law Center, which represents the San Juan Citizens Alliance. Andrea Antillon, an attorney with the State Land Office, argued at the hearing Monday that the state agency had been given inadequate time to review the application and how it would affect 65,000 acres of state trust land." [Santa Fe Reporter, 11/19/18]

Hilcorp Did Not Reach Out To The Jicarilla Apache Tribe Or Navajo Allottees Regarding The Expansion. "Despite this additional time and a recommendation that the company also connect with other government landowners, Hilcorp staff still had not contacted the US Forest Service, the Jicarilla Apache Tribe or Navajo allottees." [Santa Fe Reporter, 11/19/18]

<u>DJR Energy Is Participating In A Suit To Allow Fracking Near Archeological</u> <u>And Cultural Sites In The Mancos Shale.</u>

DJR Energy Served As An Intervenor-Appellee To Defend The Bureau Of Land Management's Drilling Permit Approvals In The Mancos Shale. "The Navajo brief came alongside several others filed on Wednesday backing the U.S. Bureau of Land Management's review and approval of drilling permits in the Mancos Shale, an oil formation in northwestern New Mexico. In December, the environmental groups had asked the Tenth Circuit to revive their bid to block fracking in that area." [*Law360*, <u>03/03/22</u>]

The Suit Was Brought By The Navajo-Linked Diné Citizens Against Ruining Our Environment And Other Groups To Block Fracking Near The Archeological And Cultural Sites In The Mancos Shale. "Environmental groups have urged the Tenth Circuit to bring back their bid to block fracking near archeological and cultural sites in the Mancos Shale, saying the Bureau of Land Management had already decided it would approve hundreds of drilling permits before conducting an environmental review. Navajo-linked Dine Citizens Against Ruining our Environment, WildEarth Guardians and other groups are seeking to overturn a New Mexico federal judge's August decision that the U.S. Department of the Interior agency didn't predetermine its greenlight of nearly 400 drilling permits and that its environmental review backed up its decisions." [Law360, 12/20/21]

EOG Resources Pursued Oil And Gas Activity On Sacred Native American Land Near Bears Ears National Monument.

EOG Resources Has Holdings Near The Bears Ears National Monument. "Obama's administration created the Bears Ears monument arguing that it would protect the cultural legacy of Native American tribes and preserve "scenic and historic landscapes." But Utah's governor and the state's congressional delegation opposed the designation, saying it went against the wishes of citizens eager for development. The area lies near where EOG Resources – a Texas-based company – had been approved to drill." [*Time*, 04/26/17]

The Bears Ears National Monument Includes Land Sacred To Five Native American Tribes That Petitioned For The Area's Protection. "President Barack Obama is expected to decide soon whether to designate a Utah monument proposed by a coalition of five Indian tribes, which consider the lands surrounding Bears Ears Buttes and Cedar Mesa sacred." [Salt Lake Tribune, 11/11/16]

<u>EOG Resources Failed To Consult Any Of The 17 Tribes With Historical Presences In The Powder River Basin When Pursuing A Controversial Oil And Gas Project In Wyoming.</u>

EOG Resources Pursued The Sand Creek Oil And Gas Project In Converse County, WY.

"The U.S. Bureau of Land Management issued a final record of decision for the Converse County oil and gas project on Dec. 23. [...] EOG Resources, one of the five operators involved in the Converse County oil and gas project, defended the steps it plans to take before breaking ground to protect tribes' rights." [Casper Star-Tribune, 01/11/21]

EOG's Sand Creek Oil Project Was Opposed By Multiple Tribes In The Area, With The Oglala Sioux Calling The Project's Environmental Review "Deficient."

The Converse County Project Is Opposed By The Oglala Sioux Tribe That Claims Environmental Reviews For The Project Were "Deficient." "The Oglala Sioux Tribe maintains that U.S. regulators "failed their duty" to uphold federal law and properly consult with tribes, calling the environmental reviews associated with the project "deficient," according to recent protests." [Casper Star-Tribune, 01/11/21]

• The Project Is Also Opposed By The Great Plains Tribal Water Alliance, A Nonprofit Representing The Standing Rock Sioux, Rosebud Sioux, Oglala Sioux, And Flandreau Santee Sioux Tribes. "And although the U.S. Interior Department has signed off on the project, the Great Plains Tribal Water Alliance — a nonprofit organization representing the Standing Rock Sioux, Rosebud Sioux, Oglala Sioux and Flandreau Santee Sioux tribes — continues to oppose the project." [Casper Star-Tribune, 01/11/21]

Despite The Threat Oil And Gas Activity In Converse County Posed To Culturally Significant Areas And Tribal Water Sources, None Of The 17 Tribes With Historical Presences In The Area Were Consulted For EOG's Project.

Oil And Gas Activity In The Area Poses A Threat To Culturally Significant Areas And "An Important Water Source" For Multiple Tribes In Sioux Nation. "Yet, the southern Powder River Basin carries significant meaning for over a dozen tribes with extensive history in the region. [...] Rivers within the project area serve as an important water source for the Oglala Sioux Tribe, among other tribes of the Sioux Nation. Many tribal members said they fear the worst for the land, headwaters and cultural history in the region if drilling occurs at the scale proposed by the team of operators." [Casper Star-Tribune, 01/11/21]

None Of The 17 Tribes With Historical Presences In The Powder River Basin Were Consulted About EOG Resources' Sand Creek Project. "The Oglala Sioux are just one of 17 Indian nations on the Bureau of Land Management's list of tribes with a historical presence in the Powder River Basin. The other 16 weren't consulted on Sand Creek either. [...] At Sand Creek, EOG Resources Inc., the oil and gas company proposing the project, hired a private firm to visit the area where the wells are being proposed and survey the Native or historical sites within the project boundary." [E&E News, 07/16/19]

EOG Resources Never Met With The Ute Indian Tribe While Trying To Drill 2,808 Wells On The Tribe's Reservation.

EOG Resources Proposed A Drilling Plan On Ute Indian Tribe Land, But Never Met With The Tribe To Discuss The Planned 2,808 Wells.

EOG Resources Proposed A Drilling Plan In The Unita Basin Including On Ute Indian Tribe And Tibial Allottees' Land. "EOG Resources Inc.'s proposal to drill 2,800 natural gas wells in the Uinta Basin of Utah has gained a new life, following the release of an updated draft environmental impact statement (DEIS) by the Bureau of Land Management (BLM). [...] Most of the acreage involved is controlled by BLM, with other land owned by the state, the Ute Indian Tribe, Tibial allottees and private landowners." [*Natural Gas Intelligence*, 03/20/18]

EOG Resources Never Met With The Ute Indian Tribe To Discuss Plans To Drill Up To 2,808 Wells On The Tribe's Reservation. "EOG proposed to drill up to 2,808 new wells within the Tribe's Reservation, yet never met with the Ute Indian Tribe to discuss the Tribe's interests, concerns and authority over the Project." [Ute Indian Tribe PAC, 06/28/18]

The Ute Indian Tribe Praised The Eventual Withdrawal Of The 43,000 Acre Project In 2018.

EOG Resources Withdrew The Project In June 2018. "A week after the Ute Indian Tribe raised serious and significant concerns with EOG Resources' Greater Chapita Wells Natural Gas Infill Project, EOG withdrew the Project from further consideration by the Bureau of Land Management (BLM)." [Ute Indian Tribe PAC, <u>06/28/18</u>]

The Ute Indian Tribe Praised The Withdrawal Of A 43,000 Acres Project From EOG Resources In The Unita Basin. "The Greater Chapita Wells project planned on 43,000 acres in the Uinta Basin was first proposed by EOG Resources in 2009 and underwent an environmental review by the Bureau of Land Management. In mid-June, however, the company informed the BLM in a letter that its proposal is being re-evaluated due to significant changes in the natural gas market and technology advances in drilling. [...] The Ute Indian Tribe, which asserts authority over the project land because it is within the tribe's historic Uncompahgre Reservation, said it was pleased with project's withdrawal." [Desert News, 06/30/18]

<u>EOG Resources Supported A Pipeline That Benefitted Them Despite Criticisms</u> <u>From The White Earth Tribe That It Would "Stop On Tribal Sovereignty."</u>

EOG Resources Wrote A Letter In Support Of The North Dakota Pipeline Company's Sandpiper Pipeline In Minnesota. "EOG believes that NDPC's Sandpiper Pipeline Project, as proposed, will provide important new pipeline infrastructure for the region. Accordingly, EOG filed the attached Motion to Intervene and Comments in Support in the ongoing NDPC proceeding before the Federal Energy Regulatory Commission related to this project."
[Minnesota Government, Minnesota Public Utilities Commission, 03/05/14]

EOG Resources Is A Shipper On NDPC's Pipelines Going From North Dakota To Minnesota. "EOG Resources, Inc. ("EOG") is a shipper on the North Dakota Pipeline Company LLC's ("NDPC") crude oil transportation pipeline that transports crude oil out of the Bakken Shale in North Dakota to Minnesota and points beyond int eh Midwest via its affiliated Enbridge pipeline system." [Minnesota Government, Minnesota Public Utilities Commission, 03/05/14]

The Sandpiper Pipeline Went Through Part Of The White Earth Indian Reservation.

"LaDuke's beloved land—an area of about four square miles—makes up 10 percent of the reservation. The territory is at the center of a dispute between the White Earth tribe and Enbridge, the Canadian company that wants to construct an oil pipeline across the state of Minnesota. Called the Sandpiper, the pipeline will carry crude oil from North Dakota to the port of Superior, Wisconsin. LaDuke said Enbridge will make this jaunt by cutting across the northeast corner of her reservation." [Daily Beast, 04/14/17]

White Earth Tribe Members Argued The Pipeline Would "Stomp On Tribal Sovereignty." "While Enbridge has secured easements for 92 percent of the properties along the pipeline's route, LaDuke and her allies contend the company will stomp on tribal sovereignty by crossing White Earth land." [Daily Beast, 04/14/17]

EOG Resources Received Approval From The Mandan, Hidatsa, And Arikara Nations' Affiliated Tribal Business Council For An Oil Project On Their Land After Publicly Calling For The Tribes To Receive A Bigger Share Of Oil Tax Revenue.

EOG Resources Backed A Measure To Give A Greater Share Of Oil Tax Revenue To The Three Affiliated Tribes. ""Representatives of seven oil companies that operate on the Fort Berthold Indian Reservation support sending a greater share of oil tax revenue to the Three Affiliated Tribes, a move that would cost the state \$145 million in 2017-19. [...] We strongly urge the state of North Dakota to work with the MHA Nation in addressing the MHA's budget shortfall issue," states the letter, signed by representatives of Targa Resources, WPX Energy, QEP Resources, EOG Resources, Enerplus Resources, Arrow Midstream Holdings and HRC Operating." [*Bismarck Tribune*, 04/07/17]

The Tribal Business Council Of The Mandan, Hidatsa, And Arikara Nations Approved The Right Of Way For An EOG Resources Project Across Tribal Land. "Motion: Councilman Randy Phelan moved to approve resolution no. 17-156-FWF entitled "Consent to Approval of a Right-of-Way across Tribal land for the Riverview 32 SWSW Project Submitted by EOG Resources, Inc." Councilman Mervin Packineau seconded the motion. Vote: 5 Ayes. 2 – Not Voting. Motion carried." [Three Affiliated Tribes Tribal Business Council, 07/06/17]

Hilcorp Additionally Threatened Myriad Native American Cultural Sites In Colorado With A "Massive" Compressor Station Near The HD Mountains.

Hilcorp Subsidiary Harvest Midstream Pursued A "Massive" Compressor Station Near The HD Mountains In Colorado. "And perhaps more concerning to locals, a company called Harvest Midstream is proposing a massive compressor station on the edge of the HD Mountains, to be called the El Toro Compressor Facility." [*The Cortez Journal*, 10/03/20]

The HD Mountains Are Home To Myriad Native American Cultural Sites And Serve As Critical Habitat For Wildlife. "The HD Mountains are a remote, hard-to-access landscape that serves as critical winter habitat for deer and elk, and is home to a vast array of Native American

cultural sites, with Chimney Rock National Monument to the east." [*The Cortez Journal*, 10/03/20]

<u>Hilcorp Pursued Projects In Alaska That Threatened Subsistence Hunting For Alaska Natives And Were Opposed By 42 Tribal Governments.</u>

Hilcorp Was Involved In The Liberty Project In Alaska, An Oil And Gas "Island" That Threatened Subsistence Hunting For Alaska Natives And Was Shut Down By A Federal Appeals Court.

Hilcorp Is Involved In The "Controversial" Liberty Project In Alaska. "Hilcorp is also seeking to build the controversial Liberty project in the Arctic. The project would involve construction of a nine-acre artificial island, drilling wells to tap underwater oil reserves and building an underwater pipeline more than five miles long to send the oil to onshore facilities." [*Maritime Executive*, 06/21/17]

The Liberty Project Raised Concerns For Its Potential Threat To Subsistence Hunting Of Bowhead Whales By Alaska Native Communities. "Environmental forces fear development will threaten critical subsistence resources, such as bowhead whales hunted by Alaska Native communities. Hilcorp Alaska's safety record will be a target for opponents of the proposed 9.3-acre gravel island. The company seeks to build the drilling island about 5 miles off the Alaska coast, east of the Prudhoe Bay oil fields." [Alaska Dispatch News, 10/09/17]

A Federal Appeals Court Overturned Approval For The Liberty Project In December 2020, Citing Greenhouse Gas Emissions And Potential Harm To Polar Bears. "A federal appeals court has overturned approval for Hilcorp's Liberty Project, an offshore drilling prospect located east of Deadhorse, in the Beaufort Sea. [...] The judges said the Bureau of Ocean Energy Management should have quantified the well's greenhouse gas emissions, including the impact of the oil it produced and sent overseas. They also faulted the U.S. Fish & Wildlife Service for not estimating the non-lethal impact drilling would have on polar bears." [Alaska Public Media, 12/07/20]

Hilcorp's Operations In The Yukon Flats Were Met With Opposition From 42 Tribal Governments In Alaska.

The Gwichyaa Zhee Gwich'in Tribal Government And The Tanana Chiefs Conference Opposed Hilcorp's Oil And Gas Exploration In The Yukon Flats National Wildlife Refuge Over Concerns For Environmental Degradation And Tribal Sovereignty. "This summer, drilling rigs will join the wildlife in the Yukon Flats, as Hilcorp Alaska, a private company with a reputation for regulatory violations, explores for oil and gas. [...] Soon after Doyon announced its deal with Hilcorp, the Gwichyaa Zhee Gwich'in Tribal Government passed a resolution opposing oil and gas development in the Yukon Flats, citing worries about environmental degradation, threats to traditional ways of life and infringements on tribal sovereignty. Last fall, the board of the Tanana Chiefs Conference, which represents 42 tribal governments in Alaska's Interior, also opposed the project." [Mother Jones, 07/08/21]

Hilcorp's Yukon Flats Operations Were With Doyon Ltd, An Alaska Native Corporation.

"Hilcorp is operating under a 2019 agreement with Doyon Ltd., an Alaska Native regional corporation, which owns 1.6 million acres of mineral rights bordering the Yukon Flats National Wildlife Refuge. The companies' plans have raised concerns among local tribes and exposed the complicated dynamics between for-profit Alaska Native corporations and sovereign tribal governments." [Mother Jones, 07/08/21]

Alaska Native Corporations Or For-Profit Companies Owned By Alaska Native Shareholders That Are Sometimes At Odds With Tribal Governments. "To Alexander, Doyon's push to explore for fossil fuels illustrates a "major disconnect" between Alaska Native regional corporations and tribal governments. Unlike federally recognized tribes, which are sovereign nations, Alaska Native corporations are for-profit companies owned by Alaska Native shareholders, who receive annual dividends of a few hundred to a few thousand dollars." [Mother Jones, 07/08/21]

Oil And Gas Companies Trying To Drill In Chaco — Hilcorp And EOG Resources - Have Sordid Environmental Pasts, Earning Statuses As Top Polluters In The US Oil And Gas Industry.

EOG And Hilcorp Are Among The Top Methane Emitters In The U.S. Oil And Gas Industry.

Hilcorp Is The Largest Methane Emitter In The Fossil Fuel Industry, Reporting 50% More Methane Emissions Than The US's Largest Fossil Fuel Producer, ExxonMobil. "According to a new analysis of the latest emissions data disclosed to the Environmental Protection Agency, five of the industry's top ten emitters of methane, a particularly potent planet-warming gas, are little-known oil and gas producers, some backed by obscure investment firms, whose environmental footprints are wildly large relative to their production. [...] The largest emitter, Hilcorp Energy, reported almost 50 percent more methane emissions from its operations than the nation's largest fossil fuel producer, Exxon Mobil, despite pumping far less oil and gas." [New York Times, 06/02/21]

• Hilcorp's Methane Emissions Intensity Is Six Times Higher Than The Average Of The Top 30 Oil And Gas Producers, Largely Due To Aging San Juan Oil Basin Operations. "According to the new analysis, Hilcorp, which has grown by buying up decades-old oil and gas assets, has the highest methane emissions in the country, despite being the 13th-largest gas producer. Hilcorp's methane emissions intensity, or leak rate, was almost six times higher than the average of the top 30 producers, largely caused by high emissions from its aging San Juan operations." [New York Times, 06/02/21]

In 2014, EOG Was The Fourth Largest Emitter Of Methane In The Oil And Gas Industry In The U.S. "The group looked at the amount of methane, a harmful greenhouse gas, emitted by over two hundred oil and gas companies in 2014. The report found that the top methane culprits were ConocoPhillips (COP), which was the sixth largest natural gas producer that year, and Exxon (XOM), which is the second largest company by revenue in the U.S., according to the Fortune 500. [...] Other leading methane-emitters included top natural gas companies like

Chesapeake Energy (CHK) at no. 3, EOG Resources (EOG) at no. 4, and BP America, a division of global oil and gas giant BP at no. 5." [Fortune, 06/20/16]

EOG Resources Has Nearly \$1.5M In Environmental Violations On Its Record.

EOG Resources Has Been Fined \$1,484,673 For Environmental Violations Since 2002. [Good Jobs First, Violation Tracker, accessed <u>04/20/22</u>]

<u>Hilcorp Incurred Over \$2M In Environmental Violations Since 2000, Including Illegally Dredging Waters In Louisiana And Causing 77 Earthquakes In Ohio.</u>

Hilcorp Has Been Fined \$2,017,622 For Environmental Violations Since 2000. [Good Jobs First, Violation Tracker, accessed <u>12/07/21</u>]

• **Hilcorp Has Been Fined \$99,673 For Safety Violations Since 2000.** [Good Jobs First, Violation Tracker, accessed 12/07/21]

Hilcorp Was Accused Of Illegal Dredging In Louisiana, Destroying Oyster Beds And Violating The Clean Water Act. "In Louisiana, the company has been accused of using illegal dredging practices that rip up oyster beds and violate the Clean Water Act." [*Dallas Morning News*, 08/10/17]

Hilcorp Is Named In Several Legacy Lawsuits From Louisiana Parishes Seeking To
 Hold Companies Accountable For Damages From Past Operations. "Hilcorp is also a
 defendant in several "legacy lawsuits" filed by parishes trying to get oil companies to
 restore damages from historic operations, including the dredging of canals and disposal
 of wastes decades ago." [Nola.com, 07/29/16]

Hilcorp Has Been Blamed For 77 Earthquakes In Ohio. "And Hilcorp's natural gas drilling methods have been blamed for causing 77 earthquakes in Ohio." [*Dallas Morning News*, 08/10/17]

Hilcorp Is A Major Polluter In Alaska, Showing Such Disregard For Regulations That State Officials Called It "Endemic" To The Company's Operations.

As Of June 2020, Hilcorp Was The Second Largest Oil And Gas Producer In Alaska. "The sale will launch Hilcorp into the position of Alaska's second largest oil producer, and the privately-owned company will become the operator of Prudhoe, the largest oil field on the North Slope and one of North America's most productive." [Alaska Public Media, 06/30/20]

Hilcorp Is Responsible For 641 Spills In Alaska Since 2012, Racking Up 13 Violations In Its First Eight Months In The State.

Hilcorp Violated State Regulations 25 Times In Just Its First Three Years In Alaska. "As soon as the company started working in Alaska in April 2012, it began to accumulate violations. By

October 2015, the Alaska Oil and Gas Conservation Commission, the main industry regulator in the state, had documented 25 instances in which Hilcorp violated its regulations, prompting a reprimand that had little of the bureaucratic blandness typical of regulatory notices." [Dallas Morning News, 08/10/17]

• Alaska Took Enforcement Action Against Hilcorp 13 Times In The Company's First Eight Months Operating In The State. "From April to December 2012 — Hilcorp's first eight months in Cook Inlet — the state brought 13 enforcement actions. The agency's inspectors, according to an April 2013 order, observed missing equipment, crews that were not trained in the use of well control equipment, and crews that were unable to perform required tests on blowout preventers." [Dallas Morning News, 08/10/17]

Hilcorp Is Responsible For 641 Spills In Alaska Since 2012. [Alaska Department Of Environmental Conservation, PPR Spills Database Search, accessed 03/28/22]

• From 2015 To Mid-2020, Hilcorp Had Three Times More Violations And Incidents Than Oil Giant BP In Alaska. "Alaska state records show Hilcorp had three times more violations and other incidents than BP from 2015 through the middle of last year, with 30% more spills attributable to human error by Hilcorp and its pipeline affiliate." [Bloomberg, 04/15/21]

Hilcorp Would Be The Sixth Worst Pipeline Operators Based On Number Of Incidents Per Mile In The Last Five Years When Compared To Similarly Sized Operators. "Until its acquisition of TAPS, Hilcorp and its Alaskan subsidiaries were small-time players in the oil pipeline business. The company operated fewer than 200 miles of oil pipelines; all in Alaska except for seven miles in Louisiana. [...] PHMSA data shows that when compared to the other operators with less than 100 miles of gas pipelines, Hilcorp would rank sixth worst out of about 1,700 gas pipeline operators based on the number of incidents per mile of pipe in the last five years." [Inside Climate News, 11/22/21]

Alaska Regulators Have Chastised Hilcorp For Failure To Act In "Good Faith" To Comply With Regulations, Going So Far As To Call Their Refusal To Meet Requirements "Endemic To Hilcorp's Approach To Its Alaska Operations."

Alaska State Regulators Found "Disregard For Regulatory Compliance Is Endemic To Hilcorp's Approach To Its Alaska Operations." "In recent years, says the Center, federal regulators have warned the company to improve maintenance of its gas pipelines, and state regulators have repeatedly fined the company and said "disregard for regulatory compliance is endemic to Hilcorp's approach to its Alaska operations."" [Maritime Executive, 06/21/17]

Alaska Regulators Noted Hilcorp's "History Of Noncompliance And Its Failure To Take The Rudimentary Measures" To Meet State Requirements Show It Is Not Acting "In Good Faith." "Regulators have complained that they see a pattern. "Hilcorp's history of noncompliance and its failure to take the rudimentary measure of entering [state] requirements in its regulatory tracking system preclude any claim that Hilcorp has acted in good faith," the commissioners wrote in a 2016 notice of a \$30,000 fine." [Dallas Morning News, 08/10/17]

Hilcorp Spilled Hundreds Of Thousands Of Cubic Feet Of Gas Into Alaska's Cook Inlet For Months In 2017 Leading To The Ousting Of A Local Regulator Attempting To Hold Them Accountable...

Hilcorp Allowed A Pipeline To Leak Between 225,000 And 325,000 Cubic Feet Of Gas Daily For Five Months In Alaska's Cook Inlet.

Hilcorp Failed To Fix A Gas Leak In Alaska For Months, Declining To Shut Down The Line Despite Saying They Could Not Repair The Leak Until Spring For Safety Reasons. "The gas leaked from a pipeline supplying fuel to Hilcorp production platforms. The company confirmed the leak in February and lowered pressure in the line but waited until April to make repairs because of the threat to divers from floating ice." [Denver Post, 11/19/17]

Hilcorp's Pipeline In Alaska Leaked Between 225,000 And 325,000 Cubic Feet Of Gas Daily. "Meanwhile, the Anchorage Daily News reported on March 6 that a Hilcorp Alaska natural gas pipeline in Cook Inlet had been leaking between 225,000 and 325,000 cubic feet of gas per day since Feb. 7, according to the Alaska Department of Environmental Conservation. That's enough gas to fuel 390 homes a day in Alaska in December, the paper said." [Nola.com, 03/22/17]

• Hilcorp Fixed Their Cook Inlet Fuel Line In April 2017 After Five Months Of Leaking. "Last week, Hilcorp was finally able to fix a fuel line in Cook Inlet that regulators say started leaking gas in December." [Alaska Public Media, 04/21/17]

Hilcorp's Cook Inlet Violations Led To An "Unprecedented Risk Assessment" From Regional Regulators.

Hilcorp's Leaks In Alaska's Cook Inlet Were Of Such A Concern That The Cook Inlet Regional Advisory Council Launched An "Unprecedented Risk Assessment." "But oil leaks from pipelines in Alaska's Cook Inlet, where Hilcorp is a major operator, became such a problem that the Cook Inlet Regional Citizens Advisory Council launched what it called an unprecedented risk assessment." [Washington Post, 10/24/18]

Former Alaska Oil And Gas Conservation Commissioner Hollis French Attributes His Efforts To Hold Hilcorp Accountable For Its Cook Inlet Leak With His Ousting From The Commission.

Former Alaska Oil And Gas Conservation Commissioner Hollis French Attributes His Attempts To Hold Hilcorp Accountable For Its 2017 Leak Into Biologically Sensitive Area With His Ousting From The Commission. "When a Hilcorp gas pipeline leaked methane into the biologically sensitive Cook Inlet over four months in 2017, he made it clear he disagreed with the commission's hands-off response. Two years later, French was fired from the agency for cause, the only way the governor can get rid of a commissioner. A private attorney the state hired to investigate found French had been chronically absent. But he and other local Democratic leaders say that was a cover story to distract from intense internal disagreement over the state response to the Hilcorp leak." [Bloomberg, 04/15/21]

The Alaska Supreme Court Ruled In Favor Of Hollis French's Argument That The Alaska Oil And Gas Conservation Commissions Improperly Rejected French's Efforts To Hold A Hearing On Hilcorp's 2017 Leak In Cook Inlet. "The Alaska Supreme Court on Friday ruled that the Alaska Oil and Gas Conservation Commission improperly denied a hearing sought by a former commissioner who believed the agency should have asserted its authority over a 2017 natural gas leak in Cook Inlet. The six-page decision is a victory for Hollis French, a former commissioner of the agency and a former Democratic state senator." [Anchorage Daily News, 09/03/21]

...And Have Continued To Leak And Disrupt Wildlife In Cook Inlet Through 2021.

Hilcorp Caused A Leak In Cook Inlet As Recently As 2021.

Hilcorp Shut Down Two Production Platforms In Alaska's Cook Inlet Because Of Gas Leaks In April 2021. "Hilcorp Energy has shut down two Cook Inlet oil production platforms amid another natural gas leak from a decades-old submerged pipeline that has leaked before, the Alaska Department of Environmental Conservation, or ADEC, said in a situation report issued April 5." [S&P Global, 04/06/21]

Hilcorp Lost Approval To Conduct Exploration Activities In Cook Inlet In 2021 Over Concerns To Beluga Whales.

A Judge Revoked Hilcorp's Authorization To Conduct Exploration Activities In The Cook Inlet Over Potential Harm To Beluga Whales. "A federal judge has rejected an authorization given to oil and gas company Hilcorp that allowed it to conduct exploration activities in Cook Inlet, citing potential negative impacts to the Inlet's population of beluga whales. The Houston, Texas-based company applied for and in 2019 was granted "incidental take" regulations by the National Marine Fisheries Service which authorized Hilcorp to perform certain oil and gas exploration activities in the Inlet, including seismic testing and drilling. The loud noise from these activities has the potential to disrupt beluga whales in the area, which use sound to communicate and hunt." [Alaska's News Source, 04/02/21]

Hilcorp Received Hundreds Of Thousands In Fines For Violations In Alaska Due To A "Lack Of Good Faith Attempts To Comply" With Regulations.

The Alaska Oil And Gas Conversation Commission Repeatedly Cited Hilcorp For Safety Violations Including A \$200,000 For "Failing To Maintain A Safe Work Environment." "The Alaska Oil and Gas Conservation Commission has repeatedly cited Hilcorp for violating safety regulations for its oil and gas operations in the state. In March 2017 the commission fined Hilcorp \$200,000 for failing to maintain a safe work environment in accordance with good oilfield engineering practices, among other issues." [Maritime Executive, 06/21/17]

Hilcorp Was Fined \$64,000 In January 2022 For Failing To Meet Permit Conditions Or Test Equipment In What Regulators Described As A "Lack Of Good Faith In Attempts To Comply." "State oil and gas regulators hit Hilcorp Energy with two more fines totaling \$64,000 to end 2021 for violating well work rules at a pair of its Cook Inlet fields. The fine orders were

issued back-to-back by the Alaska Oil and Gas Conservation Commission Dec. 29 for not meeting the conditions of a drilling permit while drilling a well into the Swanson River field in September and failing to test blowout prevention equipment during a well workover conducted in May at the North Cook Inlet gas field. [...] The Swanson River order states that "Hilcorp's lack of good faith in its attempts to comply with the clearly stated conditions of the (permit to drill), the potential seriousness of the violation, track record of regulatory non-compliance and need to deter similar behavior in future operations" were weighed against the company in determining the penalty." [Alaska Journal Of Commerce, 01/05/22]

Hilcorp Was Fined \$108,580 In March 2022 For 35 Clean Air Act Violations In Alaska Including Failure To Promptly Repair Leaks, Inspect For New Leaks, Or Accurately Report Leak Inspections And Repairs Over Two Years. "Oil company Hilcorp Alaska has paid fines totaling \$180,580 for nearly three dozen Clean Air Act violations at its facilities across the state, according to a statement from Environmental Protection Agency Region 10 officials. EPA regulators determined Hilcorp did not promptly repair leaks of methane and volatile organic compounds when the issues were discovered; failed to inspect for leaks at a new facility; and did not accurately report leak inspections and repairs from 2018 through 2020, according to the agency's statement. The cumulative penalty is for 35 individual violations at the Prudhoe Bay and Milne Point oil fields on the North Slope and at several of Hilcorp's properties in the Cook Inlet basin" [Anchorage Daily News, 03/08/22]

Hilcorp Had To Be Ordered By Federal Regulators To Replace Seven Miles Of Pipeline Over Safety Concerns After Numerous Leaks. "Earlier this year, federal regulators, fed up by numerous leaks on another section of the pipeline, ordered Hilcorp to replace the seven miles of pipe that carries fuel gas from the East Cook Inlet community of Nikiski to power two of its offshore platforms. PHMSA determined it was too dangerous to allow continued operation of the pipeline because of its history of leaks and its age, and its threat to the habitat for endangered species, including the Cook Inlet beluga." [Inside Climate News, 11/22/21]

OIL INDUSTRY INFLUENCE

IPANM And Oil And Gas Companies Operation In Chaco Boast Of Insider Access To Government Officials While Tribes Struggle To Receive Proper Consultations.

<u>Tribal Leaders Repeatedly Noted Poor Outreach And A Lack Of Ability To Participate In The Planning Process For Chaco Canyon.</u>

Tribal Leaders Previously Called For More Time To Consider Opening Up Chaco To Oil And Gas Extraction In 2020 Under The Trump Administration.

In 2020, BLM And BIA Moved Forward With Developing A Draft Resource Management Plan Amendment For The Area Surrounding Chaco Culture National Historic Park. "The Bureau of Land Management (BLM) and the Bureau of Indian Affairs (BIA) invite the public to participate in a virtual meeting regarding the recently published Farmington Mancos-Gallup Draft Resource Management Plan Amendment and associated Environmental Impact Statement (RMPA/EIS). The virtual meeting will provide the public with the opportunity to learn more about the Draft RMPA/EIS, discuss it with specialists, ask questions, and submit comments on the document. "[BLM Press Release, 04/29/20]

• BLM's Preferred Plan Would Allow Oil And Gas Leases Within Chaco Canyon's 10-Mile Buffer Zone. "The amendment details future land use, especially related to oil and gas development, near Chaco Culture National Historical Park. It proposes allowing oil and gas leases within the 10-mile buffer zone where the BLM has been deferring leases." [Farmington Daily Times, 04/05/20]

Tribal Leaders And Others Want More Time To Consider The RMPA As They Struggle With The Pandemic. "New Mexico Democrats and tribal leaders want more time for the public to participate in a federal plan for oil and gas leasing near Chaco Culture National Historical Park because area tribes are diverting attention and resources to fighting the coronavirus. The call is part of a nationwide push by environmental groups to ask the Interior Department to extend public comment periods for environmental reviews for major public lands actions during the coronavirus pandemic when the public is thinking about its impacts." [Bloomberg Law, 05/01/20]

• A Lot Of Impacted People Can't Participate In BLM's Scoping Process Because They Don't Have Internet Access. "The public comment deadline is May 28. Advocacy groups as well as elected leaders like U.S. Sen. Tom Udall, D-NM, and U.S. Rep. Deb Haaland, D-NM, have asked to have that deadline postponed due to the coronavirus pandemic. These groups highlight that people who do not have internet access have limited abilities to comment or view the documents due to restrictions put in place to limit the spread of the coronavirus. In a press release, Haaland said many of the people

who live in the Chaco area do not have access to the internet." [Farmington Daily Times, 04/30/20]

The Bureau Of Land Management Pledged To Engage More With Local Communities After Being Called Out On Their Lack Of Tribal Outreach.

BLM Met With Allottees Before The First Public Meeting. Prior to the meeting at San Juan College, the BLM, including Director Tracy Stone-Manning, met with allottees to discuss their concerns. 'I heard one common denominator; people are in love with this landscape. And it makes decision making all the harder when people are so, so, so deeply committed to a place,' she said, adding that it also makes it more beautiful because people are so committed." [NM Political Report, published 3/5/22]

BLM Will Continue To Engage The Community On This Issue And Coordinate Across Agencies After Complaints From Meeting Participants About Lack Of Tribal Outreach. "'As we move forward into this,' Schmidt said at one of the meetings, 'you'll see that the agencies, the tribes, interested parties will have an opportunity to engage with us and other agencies as we try and make good decisions in the greater landscape for Chaco.'" [KSJD, published 2/25/22]

The IPANM Bought Dinner For Republican Members Of The New Mexico House Of Representatives, Many Of Which Went On To Support Legislation To Reduce Financial Obligations For Oil And Gas Companies.

EOG Resources And Mack Energy Sponsored IPANM's "2018 Legislative Appreciation Dinner" Including "A Select Group Of State Legislators Supportive Of Oil And Gas." "IPANM's Executive Board hosted a 2018 Legislative Appreciation Dinner for a select group of state legislators supportive of oil and gas who represent districts in the San Juan and Permian Basins on the evening of Wednesday, Jan. 24 in Santa Fe. The dinner included a friendly trivia competition between the San Juan and Permian Basin legislators, with the Permian Basin winning the competition and claiming IPANM's first-ever "Golden Derrick" Award. A special thanks to Mack Energy and EOG Resources who helped sponsor the dinner on behalf of IPANM." [IPANM, 2018 Legislative Session, 01/28/18]

The Meal Cost \$1,725 And Included At Least Nine Republican Members Of The New Mexico House Of Representatives. "The next day, Claire Chase, lobbyist for Mack Energy and president of the Independent Petroleum Association of New Mexico, spent \$1,725 on a meal at Restaurant Martín for Republican House members. The guests listed were Reps. Candy Spence Ezzell, Greg Nibert and Bob Wooley of Roswell; Rod Montoya and James Strickler of Farmington; Cathrynn Brown of Carlsbad; David Gallegos of Eunice; Larry Scott of Hobbs; and James Townsend of Artesia." [Santa Fe New Mexican, 01/29/18]

Reps Scott And Strickler Met With The IPANM On Reducing Financial Obligations For Oil And Gas Companies In Late 2018. "John Thomas introduced Representative James Strickler to update the Board on the Federal Royalty Reduction Program. [...] He wants to reimplement the Federal Royalty Reduction Program that will ultimately reduce the 12.5% royalty by up to 3% depending on the nature of the well. [...] Jim Winchester said he would discuss this issue with

Representative Scott as well as do some research on it." [IPANM, Board Of Directors' Meeting Minutes, $\frac{10}{08}$ [18]

In Early 2019, Reps Scott, Nilbert, Brown, And Strickler Sponsored Bills Reduce Taxes For The Oil And Gas Industry. "San Juan Basin legislators are pushing bills that would impact how much revenue the oil and gas industry provides to the state. Rep. James Strickler, R-Farmington; and Rep. Paul Bandy, R-Aztec, are two of five sponsors of a bill to reduce certain taxes the oil and gas industry pays. The other sponsors include Rep. Larry Scott, R-Hobbs; Rep. Greg Nibert, R-Roswell; and Rep. Cathrynn Brown, R-Carlsbad." [Farmington Daily Times, 02/04/19]

Reps. Scott, Nilbert, Brown, And Strickler Attended The IPANM's "Legislative Appreciation Dinner." "The guests listed were Reps. Candy Spence Ezzell, Greg Nibert and Bob Wooley of Roswell; Rod Montoya and James Strickler of Farmington; Cathrynn Brown of Carlsbad; David Gallegos of Eunice; Larry Scott of Hobbs; and James Townsend of Artesia." [Santa Fe New Mexican, 01/29/18]

<u>IPANM Boasted About Its Access To Officials In New Mexico And The Department Of Interior.</u>

IPANM Met Multiple Times With Governor Michelle Lujan Grisham And Representatives From The Department Of Interior Regarding The Chaco Canyon Buffer Zone.

- Governor Meeting on July 11, 2019 in Farmington: Jim Winchester updated the Board on the meeting. This was a meeting with only independents and the governor in which Methane and Chaco Canyon were discussed along with other issues. The independents asked for another meeting on the Chaco Canyon buffer zone before a decision is made, and the governor indicated that she is willing to keep the discussion open. During the meeting, she seemed supportive of the oil and gas industry and willing to work with it. The governor said she is opposed to banning fracking. John Alexander, Ryan Davis, and Alex Campbell were at the meeting and gave their thoughts on the governor and the meeting.
- <u>Chaco Canyon</u>: Alex Campbell discussed the issues surrounding Chaco Canyon. Recent legislation proposed a buffer zone of a ten-mile radius surrounding Chaco Canyon National Park in which no oil and gas leases can be sold, and no drilling will be allowed. Oil and gas drilling will still be allowed on reservation land. There have been meetings with the governor, the BLM, and an upcoming scheduled meeting with Bernhardt. The group of San Juan producers is

[IPANM Board Meeting Minutes, 07/24/19]

In a January 29, 2020 IPANM Board Meeting, Campbell Notes He has met with Multiple Senators Regarding the Chaco Buffer Zone.

• <u>Chaco Canyon</u>: There was a group discussion on the setbacks with Chaco Canyon. Alex Campbell updated the Board on the multiple meetings with Senators. He said [IPANM Board Meeting Minutes, 01/29/20]

Jim Winchester Discussed Meetings With Governor Lujan Grisham, The State Land Commissioner, And The Director Of The OCD.

• <u>Today's Schedule:</u> Jim Winchester informed the Board of the schedule of events for the day. The schedule consisted of meeting with Governor Lujan Grisham, the State

IPANM Board Meeting Minutes, January 29, 2020

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Land Commissioner, OCD Director, and possibly Speaker Egolf. Jim said that there [IPANM Board Meeting Minutes, 01/29/20]

IPANM Had A Legislative Dinner In January 2020 Featuring Republican House And Senate Members As "Three Friendly Democrats."

Land Commissioner, OCD Director, and possibly Speaker Egolf. Jim said that there would also be a Legislative Dinner later that evening and all the Board Members are invited as well as all of the Republican House and Senate members along with three friendly Democrats. Kyle Armstrong pointed out that NMOGA failed to do anything for Oil and Gas Day this year, so IPANM felt the need to step in and show appreciation to the legislators who support the industry.

[IPANM Board Meeting Minutes, 01/29/20]

The IPANM Bragged About Their Influence Over The Oil Conservation

Division's Methane Planning Process, The Same Division Executive Director

Jim Winchester Used To Work For.

According To The IPANM, Industry Members On The Methane Advisory Panel Ensured An Oil And Gas Representative Was Involved In Every Technical Paper Produced "With The Purpose Of Controlling What Is Written In The Final Documents."

• Methane Advisory Panel (MAP) Update: Ryan Davis gave an overview of the MAP process and the makeup of the MAP group. He told the Board that the panel is made up of eight local and national NGOs and eighteen industry representatives—eight from IPANM, eight from NMOGA, and two selected by the administration. The panel has covered six topics so far with five more to go. The leader of each topic drafts a technical paper and then leads a discussion about that topic. Panel members are allowed thirty days to make notes and suggested changes to that document before it is finalized. The industry panel members have made sure to have an industry

[IPANM Board Meeting Minutes, 10/07/19]

The Oil And Gas Industry Is Allowed To Make Comments On What
 Nongovernmental Organizations Write In The Papers That Will Be Used By The
 Government To Create Final Rules.
 drafts. Industry is ultimately allowed to make comments on what the NGOs write in
 the papers. The final result is that the administration receives a report with all of the
 topic technical papers to refer to when making rules. Jim Winchester commented
 [IPANM Board Meeting Minutes, 10/07/19]

The OCD Is Responsible For Drafting New Mexico's New Methane Rules.

• Methane: Ryan Davis updated the Board on what occurred with MAP. He said that the MAP Process concluded in December. There was a document that was posted on December 19, and comments can be made through February 20. IPANM intends to make comments, and Ryan feels that IPANM should focus on specifics with their comments whereas NMOGA looked at the entire document. IPANM is focusing on the marginal well impact, and Ryan recommends that IPANM make further comments focused on marginal wells along with other topics such as tank emission controls, leak detection and repairs, flaring, and a few other topics specific to each region. One of the topics for the San Juan is Potential to Emit (PTE), and IPANM would like to help establish the threshold of six to ten tons per year which triggers an NOI with NMED. The OCD plans on drafting the rule in the third quarter of 2020.

[IPANM Board Meeting Minutes, 01/29/20]

<u>The New Mexico Environment Department's Current Deputy Cabinet</u> <u>Secretary Worked For The Department At The Same Time As Jim Winchester.</u>

The Current Deputy Cabinet Secretary Of Operations At The New Mexico Environment Department, Stephanie Stringer, Worked For The Department Since 2004. [LinkedIn, Stephanie Stringer, accessed 04/18/22]

Jim Winchester Worked As The Communications Director Of The New Mexico Environment Department And The State's Energy, Mineral, And Natural Resources Department From 2011 To 2015. [LinkedIn, John Winchester, accessed 04/15/22]

• Jim Winchester's Work Included Messaging For The State's Oil And Gas Rulemaking. "Policy messaging for state oil & gas rulemaking (Pit Rule, Hydraulic Fracturing Disclosure, Shale Extraction); carbon emission standards (Cap & Trade, New Federal 30% Standard); and NM State Energy Plan Project." [LinkedIn, John Winchester, accessed 04/15/22]

<u>Hilcorp Energy Is Led By Billionaire Jeffery Hildebrand, A Prolific Political Donor With Connections To Top Officials In Texas.</u>

Hilcorp Founder Jeffery Hildebrand's Net Worth Is Estimated To Be \$7.8B. [Forbes, accessed 03/23/22]

• Jeffery Hildebrand Was Among The Oil And Gas Executives To Receive A Major Boost To Their Net Worth After Russian Invaded Ukraine. "American oil and gas industrialists on the Bloomberg Billionaires Index now have a collective net worth of \$239 billion, a jump of nearly 10% since Russia invaded Ukraine on Feb. 24. [...] It's also helped boost the fortunes of private operators. Jeffery Hildebrand, 63, the founder and sole owner of Lafayette, Louisiana-based Hilcorp Energy, is now worth more than \$12 billion, while Endeavor Energy Resources founder Autry Stephens, 84, has capitalized on his company's vast holdings in the Permian Basin to expand his net worth to \$5.2 billion." [Bloomberg, 03/19/22]

Jeffery Hildebrand Was Appointed To Positions By Texas Governors Rick Perry And Greg Abbott, Having Given Each Hundreds Of Thousands In Donations.

Jeffery Hildebrand Donated \$3,302,664 To Candidates Running For Federal Office Since **2015.** [FEC, Individual Contributions, accessed <u>03/28/22</u>]

Jeffery Hildebrand And His Wife Gave At Least \$500,000 To Texas Gov. Greg Abbott's Reelection Campaign. "Other major donors who have contributed at least \$500,000 to Abbott's reelection campaign include Houston Rockets owner Tilman Fertitta, California real estate billionaire and part-owner of the Los Angeles Lakers Ed Roskie, Jr., and the founder of Hilcorp Energy Corp., Jeffery Hildebrand, and his wife Melinda." [The Current, 02/24/22]

Texas Governor Greg Abbott Appointed Jeffery Hildebrand To His "Strike Force To Open Texas" A Month The Beginning Of The COVID-19 Lockdowns In The US. "Texas Gov. Greg Abbott unveiled his plan to reopen the state Friday, including a establishing a statewide strike force of more than 40 medical experts, educators, business and political leaders. Establishing the advisory team was just one of three executive orders the governor has issued. The Strike Force to Open Texas is an elite group is tasked with finding safe and effective ways to slowly reopen the state, the governor said." [KHOU 11, 04/17/20]

Jeffery Hildebrand Donated \$285,000 To Rick Perry Ahead Of His Presidential Run In 2012. "Texas Governor Rick Perry is expected to officially launch a 2012 presidential bid any day now. [...] Jeffrey Hildebrand Net worth: \$1.9 billion; Source: oil Donated: \$285,000." [Forbes, 06/20/11]

Jeffery Hildebrand Was Appointed To The University Of Texas System Board Of Regents By Then-Governor Rick Perry In 2013. "JEFFERY D. HILDEBRAND, Houston, Texas, was appointed to a six-year term on The University of Texas System Board of Regents by Governor Rick Perry in February 2013 and was confirmed by the Texas Senate on May 24, 2013." [UT System, Former Regents, accessed 03/28/22]