

# GOVERNMENTAL AFFAIRS REPORT

## FEDERAL – Legislative

### **S. 3496 - Orphan Well Grant Flexibility Act of 2023.**

On Jan. 10, 2024, official bill text was made available for [S. 3496](#), known as the Orphan Well Grant Flexibility Act of 2023. Sponsored by Sen. Mike Braun (R-IN), and supported by 12 bipartisan cosponsors, the bill would empower states to address “environmental hazards of abandoned wells.” One of the bill’s cosponsors, Sen. Ted Cruz (R-TX), said, “I am proud to lead the effort with Senator Braun to remove power from unelected Washington bureaucrats in dictating how abandoned orphan wells must be plugged. This bill will empower state governments, like Texas, with the flexibility they need to make the best decisions for their constituents.” [Read more.](#)

### **House Energy & Commerce Committee Hearing.**

On Jan. 10, the House Energy & Commerce Committee, Subcommittee on Environment, Manufacturing, & Critical Materials, held a hearing titled, “Environment, Manufacturing, and Critical Materials Subcommittee Hearing: ‘Protecting Clean American Energy Production and Jobs by Stopping EPA’s Overreach.’” The purpose of the hearing was “to discuss EPA methane regulations and programs that will hurt American families, weaken businesses, and jeopardize our energy independence.” In a statement, Committee Chair Cathy McMorris Rodgers (R-WA) and Environment, Manufacturing, & Critical Materials Subcommittee Chair Bill Johnson (R-OH) said, “Maintaining America’s leadership in emissions reductions—while also ensuring people have access to affordable, clean energy—should be a top priority for the Environmental Protection Agency (EPA). Unfortunately, recent steps taken by the agency will impose regulations on methane that stifle innovation, increase operational and energy costs, and

dramatically expand the agency’s regulatory reach. These burdens will fall directly on American families and businesses, potentially jeopardizing thousands of jobs and billions of dollars in local economic development. This hearing is an opportunity to hold the EPA accountable for this harmful rush-to-green agenda.” Witnesses included representatives from the oil and gas industry, including Independent Petroleum Association of America member Drew Martin of Miller Energy. Martin told the committee that the EPA’s “one-size-fits-all approach to the methane tax and the performance standards OOOO subparts b and c do not work for marginal well producers like Miller Energy.” To access a full video recording of the hearing and witness testimony, [Read more.](#)

**House Natural Resources Committee Hearing on Offshore Leasing.** On Jan. 11, the House Committee on Natural Resources Subcommittee on Energy and Mineral Resources held a hearing titled, “Examining the Biden Administration’s Limits on Access to the OCS: Impacts on Consumers, States, and Operators.” The hearing focused on the Department of the Interior’s recently released 2024-2029 National Outer Continental Shelf Oil and Gas Leasing Proposed Final Program “released nearly two years late” and which “significantly limits offshore oil and gas lease sales.” The hearing also considered pending legislation to expand those sales, including [H.R. 5616](#), which would require a higher number of offshore lease sales than provided for under the current OCS 5-year plan. Witness testimony included a representative from the Texas General Land Office. To access a full video recording of the hearing and witness testimony, [Read more.](#)

**Senate Letter to the SEC Opposing Proposed Climate Disclosure Rulemaking for Publicly Traded Companies.** On Jan. 9, Senators Kevin Cramer

(R-ND) and Shelly Moore Capito (R-WV) sent a letter to Securities and Exchange Commission Chairman Gary Gensler “regarding the Securities and Exchange Commission’s (SEC) proposed rule on climate-related disclosures for publicly-traded companies to disclose their greenhouse gas (GHG) emissions and other climate change-related information.” Although a final rule has been delayed multiple times throughout 2023 and its issuance is uncertain in 2024, the lawmakers note, “Congress did not change the SEC’s regulatory authority and, in fact, the Environmental Protection Agency is the federal agency charged with air emissions reporting and regulation. This begs the question of where the SEC’s presumptive and duplicative jurisdiction comes from. Moreover, required reporting of estimated Scope 3 emissions results in substantial over counting of emissions upstream and downstream in supply chains. These emissions are beyond a company’s control and the reporting will only be estimates likely provided by third-parties.” The letter stresses that, “Proposing and finalizing burdensome new regulations is the opposite of what the SEC should be doing to encourage more capital investment in American energy companies to halt inflation and strengthen our position amid realized geopolitical risks.” At present, the SEC has not provided the public with any notice as to when a final rule may be issued. [Read the letter here.](#)

**Senate Letter to the Department of Energy Opposing Limits on LNG Exports.** On Jan. 18, Sen. John Kennedy (R-LA) sent a letter to U.S. Department of Energy Secretary Jennifer Granholm, “urging the department to not limit U.S. exports of liquified natural gas (LNG) through enforcing unnecessary burdens in the permitting process.” Sen. Kennedy added, “the Department of Energy, through new guidelines and rulemakings, will crush a burgeoning U.S. industry that employs tens of thousands of Americans, provides cheap and reliable energy to millions, and is a vital instrument in weening the world off of dirty Russian energy.” [Read the letter here.](#)

## **FEDERAL – Regulatory**

**BLM Solar Energy Roadmap.** On Jan. 17, the Bureau

of Land Management (BLM) announced “an updated roadmap for solar energy development across the West, designed to expand solar energy production in more Western states and make renewable energy siting and permitting on America’s public lands more efficient.” (See *Notice of Availability of the Draft Programmatic Environmental Impact Statement for Utility-Scale Solar Energy Development and Notice of Public Meetings*; [89 Fed. Reg. 3687](#)) With the BLM announcement comes their “draft analysis of the Utility-Scale Solar Energy Programmatic Environmental Impact Statement (known as the updated Western Solar Plan), which would streamline the BLM’s framework for siting solar energy projects in order to support current and future national clean energy goals, long-term energy security, climate resilience, and improved conservation outcomes.” [Read more.](#) As reported by *The Hill*, this updates a “2012 plan for solar power development in the western U.S., adding five states to the original six. The original plan identified prime areas for solar development in Arizona, California, Colorado, Nevada, New Mexico and Utah. The BLM on Wednesday updated and finetuned its analyses and added Idaho, Montana, Oregon, Washington and Wyoming to the plan.” [Read more.](#) The BLM will also be holding two virtual and six in-person public meetings during the comment period on the Draft Programmatic EIS. Public meetings will commence on Feb. 5, 2024, with the first being a virtual meeting. In-person public meetings will be held at locations in the solar development planning regions. For more information on attending a BLM meeting, [Read more.](#)

### **BLM Eastern Colorado Resource Management Plan.**

On Jan. 19, the BLM published a *Notice of Availability of the Record of Decision for the Approved Eastern Colorado Resource Management Plan for the Royal Gorge Field Office, Colorado* ([89 Fed. Reg. 3689](#)). Per the BLM, the Record of Decision (ROD) is for “the approved Resource Management Plan (RMP) for the Royal Gorge Field Office located in eastern Colorado. The Colorado State Director signed the ROD on January 9, 2024, which constitutes the final decision of the BLM and makes the approved RMP effective immediately.” Further, “The Eastern Colorado RMP will provide management direction for approximately 658,200 acres of BLM-administered surface land and approximately

3,311,900 acres of BLM-administered mineral estate. The decision area includes all BLM public lands and approximately 2,673,000 acres of split-estate Federal minerals on private, local government, and State lands.” [Read more.](#)

**BLM Oil and Gas Lease Sale – Colorado.** On Jan. 16, the BLM Colorado State Office “opened a 30-day public scoping period to receive public input on one oil and gas parcel totaling 120 acres that may be included in a September 2024 lease sale in Colorado. The comment period ends February 15, 2024.” [Read more.](#)

**BLM Oil and Gas Lease Sale – North Dakota.** On Jan. 8, the BLM Montana-Dakotas State Office “announced an oil and gas lease sale scheduled for March 12, 2024, to offer six oil and gas parcels totaling 2,336 acres in North Dakota. The BLM completed scoping on these parcels in Sept. 2023 and held a public comment period that closed in Nov. 2023 on the parcels, potential deferrals, and the related environmental analysis. A 30-day public protest period to receive additional public input opened today and will close Feb. 4, 2024.” [Read more.](#)

**BLM Oil and Gas Lease Sale – Wyoming.** On Jan. 9, the BLM Wyoming State Office “opened a 30-day public comment period to receive public input on 20 oil and gas parcels totaling 11,250.55 acres that may be included in an upcoming lease sale in Wyoming. The comment period ends February 8, 2024. The BLM completed scoping on these parcels November 2023 and is now seeking public comment on the parcels, potential deferrals, and the related environmental analysis. BLM will use input from the public to help complete its review of each parcel and determine if leasing of these parcels conforms with all applicable laws, policies, and land use plans.” [Read more.](#)

**BLM Oil and Gas Lease Sale – Wyoming.** On Jan. 16, the BLM Wyoming State Office “opened a 30-day public scoping period to receive public input on 5 oil and gas parcels totaling 239.38 acres that may be included in a September 2024 lease sale in Wyoming. The comment period ends February 15, 2024.” [Read more.](#)

**BLM Grand Staircase-Escalante National Monument Advisory Committee Meeting.** On Jan. 18, the BLM announced that the Grand Staircase-Escalante National Monument Advisory Committee will hold a virtual public meeting on Feb. 29, 2024. The meeting will include a status update on the monument Resource Management Plan. Public comments will be accepted and the public may attend the meeting. [Read more.](#)

**Interior Department Wyoming Regulatory Program.** On Jan. 19, the Interior Department Office of Surface Mining Reclamation and Enforcement published an approval of the Wyoming Regulatory Program ([89 Fed. Reg. 3562](#)). The approval states that the “Office of Surface Mining Reclamation and Enforcement (OSMRE), are approving with exceptions an amendment to the Wyoming regulatory program (Wyoming program) under the Surface Mining Control and Reclamation Act of 1977 (SMCRA or the Act). Between 1978 and 2007, the Wyoming Legislature enacted a number of revisions to the statutes governing coal exploration by drilling. On March 2, 2016, the Wyoming Environmental Quality Council approved a number of revisions to the rules governing coal exploration by drilling under the Wyoming program. The State submitted this proposal to OSMRE at its own initiative.” [Read more.](#)

**EPA Methane Emissions Proposed Rulemaking.** On Jan. 12, the “U.S. Environmental Protection Agency (EPA) [announced a proposed rule](#) to tackle wasteful methane emissions from the oil and gas sector, delivering on Congress’ directive in the Inflation Reduction Act to incentivize adoption of industry best practices that reduce pollution. The proposed rule will assess a charge on certain large emitters of waste methane from the oil and gas sector that exceed emissions intensity levels set by Congress.” [Access the proposed rule here.](#) The latest proposal comes on the heels of the EPA’s Dec. 2023 “final rule that will sharply reduce emissions of methane and other harmful air pollution from oil and natural gas operations — including, for the first time, from existing sources nationwide. The final action includes New Source Performance Standards to reduce methane and smog-forming volatile organic compounds from new, modified

and reconstructed sources. It also includes Emissions Guidelines, which set procedures for states to follow as they develop plans to limit methane from existing sources. Oil and natural gas operations are the largest industrial source of methane pollution in the U.S.” [Read more](#). The proposed rule “includes the directive from Congress requiring EPA to impose and collect the emissions fees” and specifically implements the Inflation Reduction Act’s “Waste Emissions Charge for methane from certain oil and gas facilities that report emissions of more than 25,000 metric tons of carbon dioxide equivalent per year to the Greenhouse Gas Reporting Program. As directed by Congress, the Waste Emissions Charge starts at \$900 per metric ton of wasteful emissions in 2024, increasing to \$1,200 for 2025, and \$1,500 for 2026 and beyond, and only applies to emissions that exceed the statutorily specified levels.” [Access the EPA’s Waste Emissions Charge website and fact sheet here](#). As reported by *The Hill*, the “proposal hammers out further details on how the fee would be calculated and when oil and gas facilities would be eligible for exemptions” and the EPA “projects the rule will reduce emissions from methane by about 80 percent.” [Read more](#). According to the EPA, the proposed rule “addresses details regarding how the charge will be implemented, including the calculation of the charge and how exemptions from the charge will be applied. Facilities in compliance with the recently finalized Clean Air Act standards for oil and gas operations would be exempt from the charge after certain criteria set by Congress are met. The agency expects that over time, fewer facilities will face the charge as they reduce their emissions and become eligible for this regulatory compliance exemption.” [Read more](#). The EPA will hold an outreach webinar on Jan. 25, 2024 to provide an overview of key elements of the proposed rule. [Register here](#).

**U.S. Department of Labor Independent Contractor Rule.** To follow up our reporting since Oct. 2022, on Jan. 10, 2024, the U.S. Department of Labor (DOL) formally published their long-awaited final independent contractor rule, *Employee or Independent Contractor Classification Under the Fair Labor Standards Act* ([89 Fed. Reg. 1638](#)). According to the rule – which puts back in place the independent contractor analysis used

under the Obama administration – the purposes is “to replace its analysis for determining employee or independent contractor classification under the Fair Labor Standards Act (FLSA or Act) with an analysis that is more consistent with judicial precedent and the Act’s text and purpose.” The DOL provides, “As used in this rule, the term ‘independent contractor’ refers to workers who, as a matter of economic reality, are not economically dependent on an employer for work and are in business for themselves. Such workers play an important role in the economy and are commonly referred to by different names, including independent contractor, self-employed, and freelancer. This rule is not intended to disrupt the businesses of independent contractors who are, as a matter of economic reality, in business for themselves.” As clarified by law firm Pillsbury Winthrop Shaw Pittman LLP, “The Rule codifies the ‘economic realities’ test as the definitive analysis for classifying workers under the FLSA. The Rule looks to the totality of the circumstances, considering six factors to determine the degree of a worker’s economic dependence on an employer or customer. As the Rule explains, economic dependence does not focus on the amount of income workers earn or whether a worker has other sources of income. The key issue is whether workers are economically dependent on a potential employer for work — and therefore employees, or in business for themselves — and therefore independent contractors.” [Read more](#).

For background, in Oct. 2022, AAPL provided members with an opportunity to submit public comments on the proposed DOL rule. We also provided members with an in-depth [Fact Sheet](#) which provided analysis and a side-by-side comparison of how the Biden administration rule compared to the rule under the Trump administration. To view a redline comparison between the proposed and final rules, [Read more here](#). Unlike the current rule, the Trump-era DOL rule used a more permissive 5-factor test that put more emphasis on the first two factors: (1) The nature and degree of the worker’s control over the work; and (2) The worker’s opportunity for profit or loss. Under the Trump rule, if a worker exercised substantial control over key aspects of the performance of the work and has an opportunity for profit and loss (other than by working more hours or faster), the first two factors weighed in favor of

independent contractor classification, and it is “highly unlikely” the three remaining factors could outweigh the first two factors. The new rule does not favor any one of the 6 factors but takes an overall approach, often referred to as a “totality of the circumstances” test, to be used by courts where a worker challenges their employment status. According to national employment law firm Ford Harrison, “The factors are non-exhaustive, and no one factor is dispositive. The weight given to each factor will depend on the facts and circumstances of a particular case. The factors include the following: (1) Opportunity for profit or loss a worker might have; (2) The financial state and nature of any resources a worker has invested in the work; (3) Degree of permanence of the work relationship; (4) The degree of control an employer has over the person’s work; (5) Whether the work the person does is essential to the employer’s business; and (6) The worker’s skill and initiative.”

[Read more.](#) As posed by law firm Locke Lord during the proposed rule release, “What does this mean legally for both workers and businesses who are currently classified as ICs? Not much [...] since it is the courts that create law on this subject, not regulatory agencies.”

[Read more.](#) Access a more comprehensive analysis of each of the six factors from employment law firm Brownstein Hyatt Farber Schreck, LLP, [here](#), and from Proskauer Rose LLP, [here](#). The final rule takes effect March 11, 2024.

However, less than a week after the rule release, Fight for Freelancers, “a coalition of more than 2,500 freelancers,” filed a lawsuit in federal court challenging the rule. In their filing announcement the group said, “The government should protect the flexibility of freelancers and their clients to build mutually beneficial working relationships. Instead, the DOL’s new rule deliberately prevents workers and businesses from knowing whether anyone is an independent contractor and exposes those who work with freelancers to huge fines and criminal penalties for not knowing.” [Read more.](#) The U.S. Chamber of Commerce also announced it may file a legal challenge. And as with other recent Biden administration regulations, many state attorneys general are also expected to challenge the rule, which might stay its implementation. If the rule is temporarily stayed (delayed), it is unlikely it will take effect prior to the November elections and may effect whether it is

implemented should another candidate win the presidential election. We will continue to monitor this for AAPL members and keep you informed of any status updates. [Read more.](#)

## STATE – Legislative

### **Oil and Gas Operations Water Usage – New**

**Mexico.** On Jan. 16, Rep. Debra Sariñana (D) introduced [HB 30](#). The bill which amends the state Oil and Gas Act would prohibit certain uses of fresh water in oil and gas operations. The bill also requires an annual water use report. The reports would have to document “volume of fresh water, recycled produced water and treated produced water used in oil and gas operations. Those reports would be sent to the Oil Conservation Division in the EMNRD [Energy, Minerals and Natural Resources Department]. State regulators could note if the reports are incomplete or deficient. All reports would be published on the state’s website, according to the current version of the bill.” [Read more.](#)

**Oil and Liquid Waste Spills – New Mexico.** On Jan. 16, Rep. Debra Sariñana (D) introduced [HB 31](#). The bill amends the state Oil and Gas Act to add “fines for oil or liquid waste spills and requires state regulators to make rules on preventing accidents. The bill would regulate disposal of produced water under the Safe Drinking Water Act, closing a federal loophole that exempts hydraulic fracturing from the law when enacted in 1974. HB 31 would use the fines to help plug dry and abandoned oil wells. It requires operators to give public notification for people living within two miles of any spill. The proposal also requires notice to any sovereign tribal nation in New Mexico with land within 10 miles of a spill. The bill allocates \$750,000 to allow EMNRD to hire five employees to carry out the work.” [Read more.](#)

### **Well Setbacks; Health Protection Zones –**

**New Mexico.** On Jan. 16, Rep. Debra Sariñana (D) introduced [HB 32](#). The bill which amends the state Oil and Gas Act would establish “Children’s Health Protection Zones” that “would include a one-mile setback from school property, limiting how close oil

and gas production could be from schools.” The bill would also provide for “additional penalties for polluting in those areas.” As reported, “HB 32 seeks to ban that activity within those zones after 2028, except under very limited exceptions. If the current version passes, it would enact more stringent protocols for detecting leaks and giving public notification around schools when that occurs.” [Read more.](#)

**State Lands Royalty Rate – New Mexico.** On Jan. 16, Rep. Matthew McQueen (D) introduced HB 48. Regarding public state lands, the bill would increase the royalty rate for future oil and gas development leases. [Read more.](#)

**Oil and Gas Wells – New Mexico.** On Jan. 16, Rep. Kristina Ortiz (D) introduced HB 133. The bill would amend the Oil and Gas Act by allowing the Oil Conservation Division of the Energy, Minerals and Natural Resources Department to regulate certain transfers of oil and gas wells and authorize the conversion of oil and gas wells for energy storage and geothermal development. The bill also increases the amount of fees and financial assurance associated with operating oil and gas wells, as well as increasing civil penalties; allowing fees to be adjusted to account for inflation; requiring the capture of 98 percent of natural gas produced beginning in 2027; and providing for certain setbacks from oil and gas facilities. [Read more.](#)

**Environmental Constitutional Amendment – New Mexico.** On Jan. 16, Rep. Joanne Ferrary (D) introduced [HJR 4](#). This House Joint Resolution is “proposing to amend the constitution of New Mexico by adding a new section of Article 2 that provides the people of the state with environmental rights, including the right to clean and healthy air, water, soil and environments, a stable climate and self-sustaining ecosystems, and directs the state, counties and municipalities to serve as trustees of the natural resources of New Mexico for the benefit of all the people.” The amendment would need to “be submitted to the people for their approval or rejection at the next general election or at any special election prior to that date that may be called for that purpose.” [Read more.](#)

**Federal Permitting Reform – West Virginia.** On Jan. 15, SCR 16 was adopted by the Senate just 3 days after its introduction by Lt. Governor Craig Blair (R). The concurrent resolution urges the U.S. Congress to “enact reforms to federal permitting policies to accelerate deployment of new energy infrastructure.” The bill has been transmitted to the House for consideration. [Read more.](#)

## STATE – Regulatory

**Governor Releases Budget with Elimination of Oil & Gas Tax Benefits – California.** On Jan. 10, Gov. Gavin Newsom (D) released his proposed budget deficit reduction plan that “includes eliminating a series of tax benefits used commonly by independent oil producers in Kern County, much more than by larger companies, to save state government \$22 million in 2024 and \$17 million per year thereafter. The administration proposal unveiled Wednesday amounts to a far softer hit to the industry than the \$8 billion in cutbacks requested the day before by a coalition of state lawmakers and climate and environmental justice advocates whose favored programs would suffer much bigger reductions totaling an estimated \$3 billion.” Specifically, the budget proposes eliminating the following oil and gas industry subsidies: (1) Immediate Deduction for Intangible Drilling Costs, “which allows oil and gas producers to deduct intangible costs such as survey work, ground clearing, drainage, and repairs;” (2) Percentage Depletion Rules for Fossil Fuels, “which allows businesses to deduct a fixed percentage of gross income that is higher than the normal cost-depletion method when it comes to resource depletion of mineral and other natural resources;” and (3) Enhanced Oil Recovery Costs Credit, “which provides certain independent oil producers a nonrefundable credit equal to 5 percent of the qualified enhanced oil recovery costs for projects located in the state if the reference price of domestic crude oil falls above a specified threshold for the preceding year.” [Read more.](#) The Governor’s budget is a starting point for negotiation, and any budget proposals must also be adopted by the state legislature and are expected to change during the legislative process. [Read more.](#)

### **ECMC Cumulative Impacts Rulemaking – Colorado.**

On Jan. 17, the Colorado Energy & Carbon Management Commission (ECMC) announced it is initiating a rulemaking on Cumulative Impacts pursuant to state law. With the announcement, the ECMC has released their draft, preliminary (“Strawdog”) rule to gather feedback from the public and stakeholders. The rule will address Cumulative Impacts from oil and gas operations, which “means the addressable combined impacts from Oil and Gas Operations on public health and the environment, including the impacts on air quality, water quality, the climate, noise, odor, wildlife, and biological resources and to Disproportionately Impacted Communities. In evaluating Cumulative Impacts, the Commission may consider the incremental impact from proposed Oil and Gas Operations when added to other potentially significant land uses within 1 mile of a proposed Oil and Gas Location, including Industrial and Manufacturing Operations that have pending or approved permits, or are in current operation.” [Read the draft rule here.](#) ECMC has also opened up a public comment period that will run through Jan. 29, 2024. [Submit a public comment here.](#) Finally, the ECMC has also provided a rulemaking timeline, with an expected revised draft rule to follow their initial release by February/March. We will keep AAPL members informed as the ECMC continues their rulemaking process. [Read more.](#) To learn more about the legislative and regulatory goals of Cumulative Impacts regulations in Colorado, [Read more.](#)

### **RRC Produced Water Recycling Pilot Studies – Texas.**

On Jan. 10, the Texas Railroad Commission (RRC) announced it “has issued a framework for pilot programs that could greatly enhance environmental protection in Texas with the potential to recycle produced water safely and economically.” [The RRC framework is available here.](#) The RRC said, “Operators will apply for authorization to conduct pilot studies, and RRC will issue a permit or letter of authorization if the application meets requirements. The operators would compile data of how treated produced water can be reused in certain activities that are safe and protective of human health and the environment.” The RRC further notes, “The produced water recycling framework is a starting point and will evolve over time in collaboration

with the work of others such as the academic community, consortia, industry, and community leaders. The information obtained by these pilot studies can be used to develop more focused regulation on produced water recycling and help guide future development.” [Read more.](#)

### **PAW Creates the Wyoming Carbon Innovation Network.**

The Petroleum Association of Wyoming (PAW) has announced the formation of a new group, the Wyoming Carbon Innovation Network. The group will be exploring “carbon management” that will address removing carbon from oil and gas production and how to use the carbon that is removed. As reported, the network’s co-chair Julie Martinez said, “they’ll be looking at everything from, ‘dealing with the carbon, but it’s also where do you put the carbon? How do you move the carbon? How do you extract it from the air?’” Martinez also said, “she sees the network as a way to support the future of Wyoming’s oil and gas industry, jobs and the environmental goals.” [Read more.](#)

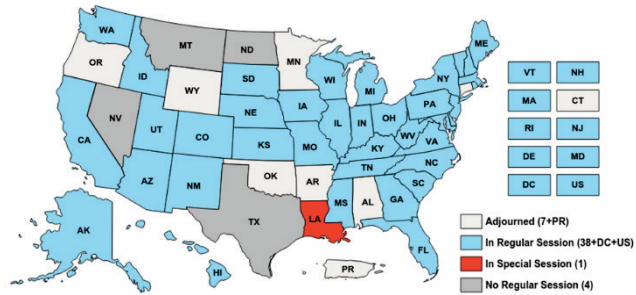
## **INDUSTRY NEWS FLASH**

► **API warns Biden's oil policies threaten the next energy crisis.** On Jan. 10, the American Petroleum Institute warned that while domestic oil and gas production is booming, policies being imposed now by the Biden administration “could jeopardize the country’s energy might.” API President Mike Sommers said, “Despite the silver lining of increased production, we’re very concerned about what the clouds look like ahead if we don’t get the policies right now. The continued signals from this administration and the policies they are pursuing — we have real concerns that is sowing the seeds for the next energy crisis.” [Read more.](#)

► **Chesapeake Energy to acquire Southwestern Energy in \$7.4 billion deal.** On Jan. 4, Chesapeake Energy announced it has agreed to acquire Southwestern Energy in an all-stock transaction valued at \$7.4 billion, “a deal that will make it the largest independent U.S. natural gas producer.” As reported by *Reuters*, “The purchase is expected to close next quarter.” [Read more.](#)

## LEGISLATIVE SESSION OVERVIEW

### States in Session



**Session Notes:** Alaska, Arizona, California, Colorado, Delaware, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia and Wisconsin are in regular session. The U.S. Congress is also in session.

The following states are expected to convene for the 2024 legislative session on the dates provided:

**Oklahoma** (February 5), **Alabama** (February 6), **Wyoming** (February 12), **Louisiana** (March 11) and **Arkansas** (April 10).

**Oklahoma** Republican Gov. Kevin Stitt issued an [executive order](#) to convene a special session on January 29. According to [Fox 25](#), the special session will seek a 0.25 percent reduction in income tax, though House Democrats have called the session “wasteful.” Governor Stitt called a similar special session last October, but it adjourned quickly without advancing any tax cut legislation.

**Bill Signing Deadlines:** **Michigan** Democratic Gov. Gretchen Whitmer has 14 days from presentment to act on legislation or it is pocket vetoed. **Ohio** Republican Gov. Mike DeWine has 10 days to act on legislation or it becomes law. **Pennsylvania** Democratic Gov. Josh Shapiro has 30 days from adjournment to act on legislation or it becomes law.

**Wisconsin** Democratic Gov. Tony Evers has six days from presentment, Sundays excluded, to act on legislation or it becomes law.

The following states are currently holding interim committee hearings or studies: [Alabama](#), [Arkansas](#), [Connecticut](#), [Louisiana](#), [Minnesota](#), [Montana](#), [Nevada](#), [North Dakota](#), [Oklahoma House](#) and [Senate](#), [Oregon](#), [Texas House](#) and [Wyoming](#).

The following states are currently posting 2024 bill drafts and pre-files: [Alabama](#), [Louisiana](#), [Nevada](#), [Oklahoma House](#) and [Senate](#) and [Wyoming](#). ■

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