Oil And Gas Companies Lock Up Millions Of Acres Of Colorado For Drilling (And Polluting) While Racking Up Extra Profits Thanks To An Outdated Federal Leasing Program.

SUMMARY: Oil and gas corporations operating on federal public lands benefit from a "sweetheart deal" thanks to the outdated federal leasing program that favors big oil over taxpayers. In Colorado, the state with the fifth most public lands leasing, oil giants and major polluters like Caerus Oil & Gas, ExxonMobil, and Laramie Energy lock up millions of acres of public land for oil and gas development while depriving taxpayers of fair compensation for often harmful use of their public lands.

If the royalty rate were more in line with what states pay, Colorado may have seen **as much as $74 Million in additional revenue in 2019**.

Colorado has 3,339 oil and gas leases totaling 2.4 million acres of federal land. The 20 big oil companies with the most leases nationally hold 789,684 acres of Colorado public lands – 33% of the state's federal acres - across 1,270 leases, where they benefit from outdated federal leasing terms. Top lessees in the state include:

- **Caerus Oil & Gas**, a private company spending millions to buy assets from big oil companies and locking away 498 leases worth of Colorado's public lands;

- **ExxonMobil**, the country's largest fossil fuel producer that is responsible for one of the nation's worth environmental disasters and has attempted to avoid at least $212M in royalties; and

- **Laramie Energy,** an oil and gas company whose CEO belittles actions done to fight climate change and sued the federal government to extract on our public lands.

20 Big Companies Hoard Hundreds Of Thousands Of Acres Of Public Land In Colorado Where Their Profits Are Boosted By Outdating Leasing Laws, Costing Colorado As Much As $74 Million A Year

Colorado Has The Fifth Most Federal Oil And Gas Leases In The Country…

In Colorado, 2,373,847 Acres Of Federal Managed Land Is Leased To Oil And Gas Companies As Of October 1, 2020. [BLM, Oil And Gas Statistics, National Totals By State, 10/01/20]

There Are 3,339 Leases Of Federal Managed In Colorado As Of October 1, 2020. [BLM, Oil And Gas Statistics, National Totals By State, 10/01/20]

Colorado Has The Fifth Most Federal Oil And Gas Leases In The Country. [BLM, Oil And Gas Statistics, National Totals By State, 10/01/20]

...With 20 Of The Biggest Leaseholders Nationwide Locking Away Nearly 789,684 Acres Of Public Land In New Mexico For Oil And Gas Development.

20 Of The Top Federal Leaseholders In The Country Are Active In Utah, Holding 582,734 Acres Of Land For Oil And Gas Development.

Colorado		
Company	Number Of Leases	Acreage
Caerus Oil & Gas	496	345,376
ExxonMobil	244	87,930
Laramie Energy	160	113,729
Chevron	74	27,849
Anschutz Exploration	50	56,436
Occidental Petroleum	50	19,470
EOG Resources	28	4,264
Merit Energy	27	8,101
Magnum Producing LP	24	30,717
ConocoPhillips	22	22,241
Robert L Bayless Production	19	7,250
Hilcorp Energy	17	17,790
Simcoe LLC	14	15,068
Liberty Petro Corp	12	17,251
Citation O&G	7	563
Kirkwood Oil & Gas	6	6,152
Southland Royalty Co	6	3,822
Devon Energy/ WPX	5	1,245
Ovintiv	5	3,030
R&R Royalty LTD	4	1,400
Total	1,270	789,684

Source: Bureau of Land Management

The 100-Year-Old Royalty Rate Has Long Made Federal Oil And Gas Leasing A "Sweetheart Deal" To Big Oil And The Expense Of Taxpayers.

When Oil Corporations Drill On Public Lands, They Compensate The Mineral Owners (The Public) With Royalty Payments, An Important Revenue For State And Local Governments.

There Are Three Main Sources Of Revenue From Federal Lands Oil Production That Go To State Governments; Royalties, Rents, And Bonuses. "Companies pay a wide range of fees, rates, and taxes to extract natural resources in the U.S. The amounts differ depending on the ownership of the resources. We'll cover some of the major types of payments companies make here. They are usually called "revenue" because they represent revenue to the American public. When companies extract natural resources on federal onshore lands and the Outer Continental Shelf, they pay revenue to the Department of the Interior (DOI). In general, companies pay bonuses, rents, royalties, or fees and penalties (if incurred) to ONRR, and in some cases bonuses and rents to the Bureau of Land Management." [Interior Office Of Natural Resource Resources, accessed 02/25/21]

- **Energy Royalties Are "An Integral Component Of Many Western States' Budgets."** "While a small portion of federal government revenue, energy royalties are important to resource-rich states in the mountain west that receive about half of what Washington collects inside their borders. 'These oil and gas royalties are an integral component of many western states' budgets, and suspending their collection would have a direct negative effect on states,' the Western Governors' Association wrote in early April to David Bernhardt, a former oil lobbyist who serves as interior secretary." [*Financial Times*, 06/28/20]

The Mineral Leasing Act Of 1920 Set The Current Public Lands Oil And Gas Royalty Rate At 12.5%.

The Mineral Leasing Act Set The Royalty Rate AT 12.5% Of The Market Value Of The Product To Be Paid To The Mineral Owners. On Public Lands, That's The Public. "The Mineral Leasing Act (MLA) defines the minimum royalty rate on oil and natural gas produced on federal lands to be 12.5%. Royalties (i.e., revenue from the application of the royalty rate to production) reflect the product of the royalty rate and the market value of the commodity produced. Royalty rates are defined in the terms of each lease and are not expected to change during the term of the lease." [Congressional Research Service, 09/22/20]

- **The Royalty Rate Is Unchanged Since The Mineral Leasing Act Was Passed In 1920.** "The current royalty rate, 12.5%, was established in 1920. Changing the royalty rate for new leases would not be expected to affect an operator's production from producing wells, but it could influence interest in future leases and impact bonus payments received during lease sales." [Congressional Research Service, 09/22/20]

The Artificially Low Royalty Rate Is Characterized By Some In Congress As A "Sweetheart Deal" For Oil Companies

Senator Chuck Grassley: Artificially Low Royalty Rate Is A "Sweetheart Deal" For Oil Companies. "The law no longer reflects fair market value. It has become a sweetheart deal for legacy energy companies. It's shortchanging the taxpayer and depriving public coffers from their fair share of revenue generated from public lands." [Senator Chuck Grassley, 03/06/20]

The Federal Royalty Rate Is Substantially Lower Than What Western States Charge On State Public Lands…

The GAO Found That States Get A Better Return On Public Lands Oil Royalties Because They Charge Higher Rates For Oil Production. "Also, preliminary observations from GAO's ongoing work indicate that selected states charge royalty rates for oil and gas produced on state lands at a higher rate than the federal government charges for production on federal lands." [Government Accountability Office, 09/24/19]

Utah's Royalty Rate Is 16.67 Compared To The Federal Government's Onshore Rate Of 12.5%. [Government Accountability Office, 09/24/19]

Table 1: Federal and State Lease Terms and Practices for Onshore Oil and Gas Leases, as of September 2019

	Primary Term years)[a]	Minimum bonus bid[b] (per acre)	Rental rate[c] (per acre)	Royalty Rate (percent)
Federal Lease Terms				
Onshore	10	$2.00	$1.50 or $2.00[d]	12.5[e]
Selected State Lease Terms				
Colorado	5	None	$2.50	18.75 or 20[f]
Montana	10	None	$1.50/2.75/4.00[g]	16.67
New Mexico	5	Varies[h]	$0.25 – 1.00	12.5, 16.67, 18.75 or 20[i]
North Dakota	5	$1.00	$1.00	16.67 or 18.75[j]
Oklahoma	3	$5.00	$1.00	18.75
Texas	3	$10.00[k]	$10.00	25
Utah[l]	5	$2.00	$2.00[m]	16.67[n]
Wyoming	5	$1.00	$1.00	12.5 or 16.67[o]

Sources: GAO analysis of federal and state laws and regulations, and state officials. | GAO-19-718T

Source: GAO

...And Boosting The Federal Royalty Rate Could Bring In Tens Of Millions Annually

An Independent Watchdog Estimates Raising Royalty Rates Could Bring In Tens Of Millions More Annually

GAO Found That Modest Royalty Increases Could Boost Revenues By $38 Million Annually. "The oil and gas studies that GAO reviewed estimated that raising the federal royalty rate could increase net federal revenue between $5 million and $38 million per year. One of the studies stated that net federal revenue would increase under three scenarios that modeled raising the royalty rate from the current 12.5 percent to 16.67 percent, 18.75 percent, or 22.5 percent, while the other study noted that the effect on federal revenue would initially be small but would increase over time." [Government Accountability Office, 06/20/17]

- **The GAO Found That Increasing Royalty Rates Would Boost Revenue With A Minimal Impact To Production**. "In June 2017, we reported that raising federal royalty rates for onshore oil, gas, and coal resources could decrease oil and gas production on federal lands by either a small amount or not at all but could increase overall federal revenue, according to studies we reviewed and stakeholders we interviewed." [Government Accountability Office, 09/24/19]

If The Federal Rate Were More In Line With What States Charge, Colorado Might Have Seen $74 Million More In Revenue In 2019 Alone

2019 Cost Of Low Royalty Rate In Western States*			
	2019 Royalty Revenue (actual)**	2019 Royalty Revenue (at proposed 20% rate)	2019 cost to state of low royalty rate

New Mexico	$1,340,557,753.87	$2,144,892,406.19	$804,334,652.32
Wyoming	$668,180,446.01	$1,069,088,713.61	$400,908,267.60
North Dakota	$318,929,799.71	$510,287,679.53	$191,357,879.82
Colorado	$124,657,581.71	$199,452,130.73	$74,794,549.02
Utah	$87,768,202.08	$140,429,123.32	$52,660,921.24
California	$75,459,265.98	$120,734,825.56	$45,275,559.58
Montana	$21,246,305.55	$33,994,088.88	$12,747,783.33
	$2,636,799,354.91		**$1,582,079,612.91***

Source: Interior Office Of Natural Resource Revenue

**These total cost is calculated from actual share of onshore oil and gas production revenues received by states under the low 12.5% rate and extrapolating them to the amount that states' share would have been had the royalty rate been 20%, all other factors equal. This cost is a conservative estimate because it only reflects the royalty rate change in the reconciliation package; it does not include new royalties for vented methane or increased revenues from updated rents and bonus bid increases.*

***The actual royalty revenue figures are from the Interior Office of Natural Resource Revenue. They reflect each state's 50% share of the standard 12.5% royalty rate.*

Top Leasers In Colorado Use Their Millions Saved Through The "Generous" Federal Leasing Program To Lock Away More Land For Drilling And Shower Executives And Owners With Millions.

Caerus Oil & Gas Has Spent Over $1.3B Acquiring Assets From Big Oil Companies While Avoiding Millions In Royalty Payments Thanks To The Outdated Federal Leasing Program.

Caerus Oil & Gas Is A Private Fossil Fuel Producer, Growing Through Multi-Million Dollar Acquisitions Of Oil Giants' Assets In Colorado And Utah.

Caerus Oil & Gas Is A Privately Held Gas Producer Operating In Utah And Colorado. "He is the Co-founder, Chairman and Chief Executive Officer of Caerus, a privately held natural gas producer operating in Western Colorado since 2009 and in Eastern Utah since mid-2020." [Caerus Oil & Gas, Management, accessed 12/08/21]

Caerus Oil & Gas Has Acquired Over $1.3B In Assets Since Its Founding. "At Caerus, Mr. Keyte has been the principal in acquisitions of more than $1.3 billion in assets" [Caerus Oil & Gas, Management, accessed 12/08/21]

- **Caerus Oil And Gas Has Spent Hundreds Of Millions Of Dollars Buying Oil And Gas Assets From Encana Corp, PDC Energy, Marathon Oil, And Noble Energy.**

"Denver's Caerus Oil and Gas LLC is about to swallow the proverbial whale with its $735 million purchase of Encana Corp.'s natural gas assets in the Piceance Basin on Colorado's Western Slope. […] Caerus has built up its position in the basin over the years, buying acreage and wells as other, larger companies cast off the properties to focus their attention elsewhere. In 2013, Caerus paid $200 million to Denver's PDC Energy Inc. for what the latter called "non-core" assets — industry-speak for oil and gas wells that don't line up with the company's focus areas. In 2014, Caerus bought Noble Energy Inc.'s holdings in the basin, according to the Grand Junction Sentinel. And in 2016, Caerus was believed to be the buyer of assets Marathon Oil sold in the basin, the Sentinel reported." [*Denver Business Journal*, 06/09/17]

- **Caerus Acquired Occidental Petroleum Uintah County Assets In 2020.** [Caerus Oil & Gas, About, accessed 12/08/21]

Caerus Controls 496 Leases Of Federal Land In Colorado, Where It Pocketed An Extra $5M Thanks To The Outdated Federal Leasing Program.

Of The Top Leasers Of Federal Land, Caerus Oil & Gas Is The Largest Leaser Of Federal Land In Colorado, Controlling 496 Leases Totaling 345,376 Acres. [Data From The Bureau Of Land Management]

Caerus Oil & Gas Paid $15M In Oil And Gas Royalties In 2020, But Would Have Paid As Much As $5M More If It Was Subject To Colorado's Higher Royalty Rates For State Land. Caerus Oil & Gas paid the Department of the Interior $15 million in oil and gas royalties in 2020. It paid $10.7 million in 2019. Had Caerus Oil & Gas paid the same higher royalty rates for state land in Colorado (16.67%), it would have additionally paid $5 million in 2020 and $3.6 million in 2019. [U.S. Department of the Interior, Office of Natural Resources Revenue]

Caerus Oil & Gas Oil and Gas Royalties - 2020	
Federal Rate	*Colorado Rate*
$15,320,417	$20,431,308
Cost To Taxpayers	**$5,110,891**

Caerus Oil & Gas Oil and Gas Royalties - 2019	
Federal Rate	*Colorado Rate*
$10,703,303	$14,273,925
Cost To Taxpayers	**$3,570,622**

Caerus Oil & Gas Has Incurred Nearly $45,000 Worth Of Environmental Violations In Colorado Since Just 2013.

Caerus Oil & Gas Has Incurred $44,590 In Environmental Violations In Colorado Since 2013. [Good Jobs First, Violation Tracker, accessed 12/08/21]

ExxonMobil Is One Of Top Polluters In The Country, Causing $2.1B Worth Of Environmental Damage While Raking In Billions Of Profits And Attempting To Skirt Royalty Payments.

The Biggest Fossil Fuel Producer In The U.S., ExxonMobil's, Billions In Revenue Did Not Stop The Company From Laying Off 15% Of Its Workforce While Its CEO Took Home Seven-Digits.

Exxon Is "The Nation's Largest Fossil Fuel Producer." "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]

ExxonMobil Had $178.6B In Revenue In 2020. [SEC EDGAR, ExxonMobil Form 10-K, 02/24/20]

- **ExxonMobil Had $255.6B In Revenue In 2019.** [SEC EDGAR, ExxonMobil Form 10-K, 02/24/20]

ExxonMobil CEO Darren Woods Made $15.6M In Total Compensation In 2020. [SEC EDGAR, ExxonMobil DEFC14A, 03/16/21]

- **ExxonMobil CEO Darren Woods Made $23M In Total Compensation In 2019.** [SEC EDGAR, ExxonMobil DEFC14A, 03/16/21]

In October 2020, ExxonMobil Announced Plans To Downsize Its Workforce By 14,000 People. "Exxon, the large oil and gas giant, announced that it will downsize roughly 14,000 people—representing 15% of its global workforce, including around 1,900 employees at the Houston-based headquarters." [*Forbes*, 10/30/20]

Of The Top Leasers Of Federal Land, ExxonMobil Controls The Third Most Leases In Montana, Hoarding 68,111 Acres For Oil And Gas Development.

Of The Top Leasers Of Federal Land, ExxonMobil Is The Second Largest Leaser Of Federal Land In Colorado, Controlling 224 Leases Totaling 87,930 Acres. [Data From The Bureau Of Land Management]

Despite Skirting Around $100M In Royalties Thanks To The Outdated Federal Leasing Program, Exxon And Its Subsidiaries Have Still Been Forced To Pay Over $212M For "Knowingly" And "Systematically" Underpaying Royalties.

ExxonMobil Paid $294.6 Million In Oil And Gas Royalties In 2020, But Would Have Paid As Much As $98 Million More If It Was Subject To Colorado's Higher Royalty Rates For State Land. ExxonMobil paid the Department of the Interior $294.6 million in oil and gas royalties in 2020. It paid $307 million in 2019. Had ExxonMobil paid the same higher royalty rates for state land in Colorado (16.67%), it would have additionally paid $98 million in 2020 and $102 million in 2019. [U.S. Department of the Interior, Office of Natural Resources Revenue]

ExxonMobil Oil and Gas Royalties - 2020	
Federal Rate	*Colorado Rate*
$294,637,341	$392,928,358
Cost To Taxpayers	**$98,291,017**

ExxonMobil Oil and Gas Royalties - 2019	
Federal Rate	*Colorado Rate*
$307,027,232	$409,451,516
Cost To Taxpayers	**$102,424,285**

In 2018, XTO Energy, An ExxonMobil Subsidiary, Paid $80M To Settle A Class-Action Lawsuit Over 15 Years Of Underpaid Royalties. "An Oklahoma judge on Tuesday approved a settlement by ExxonMobil Corp.'s XTO Energy Inc. that requires $80 million to be paid in a class action lawsuit regarding underpaid natural gas royalties. […] Chieftain Royalty Co. filed a lawsuit against the defendant in December 2010 claiming royalties were underpaid for gas produced in Oklahoma wells from May 2002 through May 2017. […] According to the lawsuit, royalties were underpaid on gas and its constituents, including helium, residue gas, natural gas liquids, nitrogen and condensate." [*National Gas Intelligence*, 03/28/18]

In 2018, XTO Energy Was Forced To Pay $11M To Settle A Lawsuit Over Underpaid Royalties. "The Marburger and Thiele families of Butler county, along with more than 1,100 other natural gas lease holders, will soon get their shares of an $11 million settlement with XTO Energy. A settlement in the class-action lawsuit was approved by a judge in March after almost three years in federal court. […] The complaint alleged that XTO had committed a breach of contract by deducting operating expenses from royalty payments to landowners, who had originally entered into contracts leasing their mineral rights to Phillips Production around 2007. Phillips was then acquired by Exxon Mobil in 2011 and XTO Energy took over local drilling operations." [*Butler Eagle*, 05/21/18]

XTO Energy Was Fined $890,000 For "Federal Leasing Royalty Violation" In May 2018. [Good Jobs First, Violation Tracker, 05/01/18]

ExxonMobil Was Ordered To Pay $121M In Royalties Following A Dispute With Alabama Over Natural Gas Wells On The State's Coast. "he Alabama Supreme Court has sided with Exxon Mobil Corp. in another dispute with the state of Alabama involving the company's natural gas wells along the Alabama coast. The latest dispute involves $23 million. In 2007, the Alabama Supreme Court threw out most of a $3.6 billion verdict Alabama had won against the oil company in a dispute over natural gas royalties from the wells. Exxon Mobil ended up paying Alabama more than $121 million in royalties plus interest." [*WSFA*, 12/12/08]

An ExxonMobil Company, Mobil Natural Gas, "Knowingly" And "Systematically" Underpaid Royalties On Federal And Native American Land For 11 Years, Resulting In A $32.2M Penalty. "Mobil Natural Gas Inc., Mobil Exploration & Producing U.S. Inc. and their affiliates agreed to pay the United States $32.2 million to resolve claims that they violated the

False Claims Act by knowingly underpaying royalties owed on natural gas produced from federal and American Indian leases. The Mobil companies are alleged to have systematically under reported the value of natural gas taken from the leases from March 1, 1988, to Nov. 30, 1999, and, consequently, paid less royalties than owed to the United States and various American Indian tribes." [Good Jobs First, Violation Tracker, 04/05/10]

ExxonMobil Has Been Fined $41.2M In False Claims Act Violations Since 2000. [Good Jobs First, Violation Tracker, accessed 12/08/21]

- **The False Claims Act Prohibits Submitting Knowingly False Claims To The Government.** "The FCA provided that any person who knowingly submitted false claims to the government was liable for double the government's damages plus a penalty of $2,000 for each false claim. The FCA has been amended several times and now provides that violators are liable for treble damages plus a penalty that is linked to inflation." [US Department Of Justice, The False Claims Act, 01/14/21]

ExxonMobil Is One Of The World's Top Greenhouse Gas And Methane Emitters, With Plans To Further Increase Production Through 2030…

ExxonMobil Was Ranked The Fourth Largest Global Polluter Based On Total Carbon Emissions Since 1965. ExxonMobil released 41,904 million metric tonnes of CO2, 3.09% of total global emissions. [*The Guardian*, 10/09/19]

- **ExxonMobil Was The Highest Greenhouse Gas Emitter In The US Oil And Gas Industry In 2019.** "To be sure, the large producers remain huge emitters. For greenhouse gas emissions overall, Exxon Mobil reported the industry's highest numbers in 2019, a record that is expected to become a top priority as the company contends with three climate-focused directors recently elected to its board by shareholders increasingly wary of its exposure to climate risks." [*The New York Times*, 06/02/21]

In 2019, ExxonMobil Had The Second Highest Methane Emissions Of Top Oil And Gas Producers. [Clean Air Task Force, June 2021, accessed 12/08/21]

- **Methane Has 80 Times The Planet Warming Potential Than Carbon Dioxide.** "The main component of natural gas, methane can warm the planet more than 80 times as much as the same amount of carbon dioxide over a 20-year period if it escapes into the atmosphere before being burned." [*New York Times*, 06/02/21]

From 2019 To 2030, ExxonMobil Is Planning The Largest Increases In Oil And Gas Production, Increasing By 52% And 27% Respectively. "While almost all the companies are planning increases in oil production, Exxon and Chevron are planning the most […] Exxon and BP are planning the biggest increases in gas production." [*Vox*, 09/25/20]

…And A Top Emitter Of Small Particulate Matter, A Dangerous Pollutant That Increases The Risk Of Death From COVID-19.

Three ExxonMobil Refineries Are The Top Emitters Of Small Particulate Matter In The U.S. "The Texas-based firm's three largest refineries - two in Texas and one in Louisiana - are the nation's top three emitters of small particulate matter, according to the analysis of the latest tests submitted to regulators by the nation's 10 largest refineries. The three Exxon refineries together averaged emissions of 80 pounds per hour, eight times the average rate of the seven other refineries on the top-ten list, some of which are larger than Exxon's plants, the analysis shows. The top polluter, Exxon's Baton Rouge refinery, averaged 138 pounds per hour." [*Reuters*, 06/01/21]

- **Small Particulate Matter Is One Of The "Most Harmful Pollutants" And Leads TO A Higher Risk Of Death From COVID-19.** "Small particulate matter is among the most harmful pollutants. Made up of particles 50 times smaller than a grain of sand, it can bond with other toxins, infiltrate the blood stream, and damage the heart, lungs and nervous system. A small increase in long-term exposure to small particulate matter also leads to a large increase in COVID-19 death rates, according to a recent Harvard University study." [*Reuters*, 06/01/21]

ExxonMobil Is Responsible Billions Worth Of Environmental Violations, Including One Of The Worst Oil Spills In History That Has Impacted Local Land And Wildlife To This Day.

ExxonMobil Has Incurred $2.1B In Environmental Violations Since 2000. [Good Jobs First, Violation Tracker, accessed 12/08/21]

- **ExxonMobil Has Been Fined $4.5M For Employment And Safety-Related Offenses Since 2000.** [Good Jobs First, Violation Tracker, accessed 12/08/21]

- **ExxonMobil Has Been Fined $2M For "Financial Offenses" Since 2000.** [Good Jobs First, Violation Tracker, accessed 12/08/21]

ExxonMobil, In 2017, Was Ordered To Pay Nearly $20 Million For "Spewing Millions Of Pounds Of Excess Air Pollution From Its Houston-Area Industrial Facilities." "In a huge win for environmental groups, a federal judge has ordered ExxonMobil to pay nearly $20 million for spewing millions of pounds of excess air pollution from its Houston-area industrial facilities. The Sierra Club and Environment Texas sued the energy giant in 2010, alleging that over a five-year period it had emitted more than 8 million pounds of hazardous chemicals and other contaminants from its sprawling Baytown complex than is allowed by state and federal law and clean air permits. The 3,400-acre complex about 25 miles east of Houston houses a refinery and chemical, olefins and plastics plants." [*The Texas Tribune*, 04/27/17]

Exxon Is Responsible For One Of The Worst Oil Spills In US History, Spilling 11M Gallons Of Oil Into Alaska's Price William Sound. "The Exxon Valdez oil spill was a manmade disaster that occurred when Exxon Valdez, an oil tanker owned by the Exxon Shipping Company, spilled 11 million gallons of crude oil into Alaska's Prince William Sound on March 24, 1989. It was the worst oil spill in U.S. history until the Deepwater Horizon oil spill in 2010. The Exxon Valdez oil slick covered 1,300 miles of coastline and killed hundreds of thousands of seabirds, otters, seals and whales. Nearly 30 years later, pockets of crude oil remain in some locations." [*History*, 03/23/21]

- **Exxon Was Fined $125M For Criminal Fines And Restitution As Well Have $900M Paid Out Over Ten Years For Restoration.** "On Oct. 8, 1991, U.S. District Court Judge Russel Holland approved both a plea agreement resolving criminal charges against Exxon Corporation and Exxon Shipping (Exxon) under various federal environmental laws and a settlement agreement between Exxon and the United States and the state of Alaska resolving all civil claims between them pertaining to the spill. Under the plea agreement, the company paid $125 million for a criminal fine and restitution. The civil settlement required Exxon to pay the governments $900 million over 10 years to reimburse past costs and fund the restoration of injured natural resources." [U.S. Department Of Justice, Press Release, 10/15/15]

- **Exxon Valdez Affected Over 1,300 Miles Of Shoreline And Killed Billions Of Wildlife With Some Species Still Not Recovering Over 25 Years Later.** "The spill affected more than 1,300 miles of shoreline, with immense impacts for fish and wildlife and their habitats, as well as for local industries and communities. The oil killed: An estimated 250,000 seabirds, 2,800 sea otters, 300 harbor seals, 250 bald eagles, As many as 22 killer whales, Billions of salmon and herring eggs. More than 25 years since the spill, the following species remain in a "Not Recovering" or "Unknown" status: Killer whales (family group known as pod AT1), Kittlitz's murrelets, Marbled murrelets, Pigeon guillemots"[DARRP, NOAA, Exxon Valdez, accessed 12/08/21]

Laramie Energy's CEO Belittles Actions Done To Fight Climate Change While Suing The Federal Government To Extract On Our Public Lands.

Laramie Energy Is An Oil And Gas Company With Millions In Annual Revenue.

Laramie Energy Is A Denver-Based Oil And Gas Company Operating In Colorado. "Laramie Energy, LLC is a Denver based company focused on developing unconventional oil and gas reserves within the U.S. Rockies. Laramie Energy was formed in June 2007 by executives and former employees of "Laramie 1", its predecessor company, which successfully divested its assets in May 2007. Laramie Energy's current operations are concentrated in the Piceance Basin in Western Colorado." [Laramie Energy, accessed 12/08/21]

Laramie Energy Had $194M In Revenue In 2019. [SEC EDGAR, Par Pacific Holdings, 10-K/A Ex 99.1, 03/27/20]

- **Laramie Energy Had $226M In Revenue In 2018.** [SEC EDGAR, Par Pacific Holdings, 10-K/A Ex 99.1, 03/27/20]

Laramie Energy Has Locked Away 113,729 Acres Of Colorado For Oil And Gas Activity, Where It Has Saved Millions Thanks To The Outdated Federal Leasing Program.

Of The Top Leasers Of Federal Land, Laramie Energy Is The Third Largest Leaser Of Federal Land In Colorado, Controlling 160 Leases Totaling 113,729 Acres. [Data From The Bureau Of Land Management]

Laramie Energy Paid $4.3M In Oil And Gas Royalties In 2020, But Would Have Paid As Much As $1.5M More If It Was Subject To Colorado's Higher Royalty Rates For State Land. Laramie Energy paid the Department of the Interior $4.3 million in oil and gas royalties in 2020. It paid $8.3 million in 2019. Had Laramie Energy paid the same higher royalty rates for state land in Colorado (16.67%), it would have additionally paid $1.5 million in 2020 and $2.8 million in 2019. [U.S. Department of the Interior, Office of Natural Resources Revenue]

Laramie Energy Oil and Gas Royalties - 2020	
Federal Rate	*Colorado Rate*
$4,349,055	$5,799,899
Cost To Taxpayers	**$1,450,844**

Laramie Energy Oil and Gas Royalties - 2019	
Federal Rate	*Colorado Rate*
$8,287,886	$11,052,724
Cost To Taxpayers	**$2,764,838**

Laramie Energy Failed To File Or Complete 971 Oil And Gas Well Production Reports With Colorado Over Just Three Years.

Laramie Energy Routinely Failed To Properly File Monthly Oil And Gas Well Production Reports With Colorado, Missing Or Not Completing 971 Report From 2016-2018. "Laramie Energy leads Piceance Basin oil and gas producers when it comes to missing or incomplete monthly oil and gas well production reports to state regulators from 2016-18, according to a list released by the state this week. Laramie's 971 missing reports — the fourth-most of any oil and gas producer in the state during that time frame — may be partly explained by reporting challenges arising from its acquisition of wells from other companies." [*The Daily Sentinel*, 02/14/20]

Laramie Energy Has Attacked Government Action To Better Consider Climate Change And Environmental Impact, Belittling The Biden Administration's Leasing Moratorium As "Done In The Name Of Climate Change" And Participating In Lawsuits Against The Government.

Laramie Energy CEO, Robert Boswell, Complained About The Biden Administration's Leasing Pause, Criticizing The Step "Done In The Name Of Climate Change." "Robert Boswell, chairman and CEO of local natural gas developer Laramie Energy, said, "All this is being done in the name of climate change and the green policies being implemented will hurt the U.S. to the benefit of foreign countries who do not meet greenhouse standards."" [*The Daily Sentinel*, 01/27/21]

Laramie Energy Attempted To Sue The Federal Government To Force Them To Issue Pending Leases In Wyoming And Utah. "A federal appeals court turned down an appeal by oil and gas companies looking to force the U.S. Department of the Interior to issue pending leases in Wyoming and Utah, held up by legal challenges from conservation groups, within 60 days of the companies' payment. […] The case pitted the American Petroleum Institute, Western Energy

Alliance, Double Deuce Land and Minerals Inc., World Oil Properties Inc., Laramie Energy II LLC, Baseline Minerals Inc., Nerd Gas Co. LLC and Samson Resources Co. against the DOI, the BLM and intervening environmental groups: the Wilderness Society, National Wildlife Federation, Southern Utah Wilderness Alliance, Natural Resources Defense Council, National Audubon Society, Biodiversity Conservation Alliance, Greater Yellowstone Coalition and Center for Native Ecosystems." [*SNL Gas Week*, 03/25/13]

Laramie Energy Participated In A Suit To Exclude Certain Oil And Gas Development On Federal Leases From Environmental Review. "Petitioner Western Energy Alliance (WEA) seeks review under the Administrative Procedure Act of actions taken by the [*2] Federal agency respondents (Federal Respondents) in issuing internal agency guidance documents interpreting Section 390 of the Energy Policy Act of 2005 (Section 390). Section 390 established a "rebuttable presumption" that a categorical exclusion (CX) from review under the National Environmental Policy Act (NEPA) would apply to certain oil and gas development activities on federal oil and gas leases. […] Three WEA members, Devon Energy Production Company, L.P., Laramie Energy II, LLC, and QEP Resources, Inc. present affidavits in this case. Doc. 27-10, 27-11, 27-12, 32-13, 32-14 & 32-15." [US District Court For The District Of Wyoming, Case No. 10-CV-237F, 08/12/11]

Laramie Energy Has Over $480,000 In Environmental Violations In Colorado.

Laramie Energy Has Incurred $480,820 In Environmental Violations In Colorado Since 2008. [Good Jobs First, Violation Tracker, accessed 12/08/21]

Occidental Petroleum, Chevron, And Ovintiv Have Been Sued Over Underpaid Royalties In Colorado, With A Case As Recently As 2021.

In 2021, Subsidiaries Of Occidental Petroleum And Chevron Were Sued By Colorado Landowners For Underpaying Royalties For Seven Years. "A trio of Weld County landowners are suing the local affiliates of oil giants Chevron Corp. (NYSE: CVX) and Occidental Petroleum Inc. (NYSE: OXY), saying that they have underpaid on mineral royalties for more than seven years. […] The suit names Kerr-McGee Oil & Gas Onshore LP and Noble Energy Inc. as defendants. Those companies are the local affiliates of Occidental Petroleum Inc. and Chevron Corp. after acquisitions in 2019 and 2020, respectively." [*Greely Tribune*, 05/20/21]

Ovintiv Was Sued In Colorado For Underpaying Royalties, Paying $40M To Settle The Case. "Plaintiffs, on behalf of themselves and a Class of similarly situated royalty payees, filed the Lawsuit on April 13,2005 in the District Court for the City and County of Denver, Colorado. […] The Plaintiffs claim that EnCana has deducted or adjusted from royalty payments certain charges for costs that should not have been deducted. Specifically, the Plaintiffs claim that EnCana should not have deducted from natural gas royalties any costs incurred to make gas marketable or to deliver gas from the wellheads to the commercial marketplace. […] EnCana has agreed to pay a total of forty million dollars ($40,000,000) ("the Settlement Fund") to settle the claims for underpayment of royalties to the Class Members on natural gas produced, sold or taken in-kind by EnCana and/or distributed by EnCana with respect to production through December 31, 2008." [Miller et al v. EnCana Gas & Oil (USA) Inc., District Court, City and County of Denver, Case No. 05-CV2753, accessed 12/08/21]