



Please Note: Due to the upcoming holidays, the next Weekly Report will be published on January 8, 2018. Wishing you all a happy, healthy and enjoyable holiday season.

WEEKLY HIGHLIGHTS AT-A-GLANCE

FEDERAL – Legislative

- **Arctic National Wildlife Refuge – Alaska.** *(Update to 12/4/17 Weekly Report)*
In a big win for the oil and gas industry, Senator Lisa Murkowski's (R-AK) proposal to open up energy resource development in a 1.5 million-acre section of the Arctic National Wildlife Refuge (ANWR), known as the "[1002 Area](#)", survived congressional conference negotiations and will now become a part of the final tax bill, [H.R. 1](#), set for President Trump's signature by year-end. Murkowski said the bill "contains the single most important step I believe we can take to strengthen our energy security and create new wealth." According to *The Hill*, the provision calls "for drilling lease sales in a corner of the 19 million-acre ANWR within the next decade, with the federal and Alaskan governments splitting the revenues". [Read more.](#)

FEDERAL – Regulatory

- **BLM Leasing – Colorado.** The Bureau of Land Management (BLM) has announced that it will be offering eight parcels, totaling approximately 2,500 acres, in La Plata and San Miguel counties in its March 8, 2018 quarterly oil and gas lease sale. Public comments related to the sale are open until January 8, 2018. [Read more.](#)
- **BLM Leasing – New Mexico.** The BLM's latest quarterly sale for parcels in southeastern New Mexico netted more than \$30 million. The [BLM reports](#) that bids covered more than 2,100 acres in Eddy and Lea counties, which include portions of the Permian Basin. One bid of \$40,001.00 set an agency record for the highest bid per acre. [Read more.](#)
- **Energy Information Administration Appointment.** Last Tuesday, the Senate Energy and Natural Resources Committee voted to advance the nomination of former Marathon Oil executive Linda Capuano to head the Energy Information Administration (EIA). The EIA "is the statistical agency of the Energy Department. Its data and analysis forms the basis of much of the energy policy discussion within the White House, the agencies and Congress. Its research is also a resource for the energy industry and state governments." [Read more.](#)

- **Federal Oil Assessment – North Dakota.** Recently, Senator John Hoeven (R-ND) and industry representatives requested that the U.S. Geological Survey (USGS) provide a new assessment of recoverable oil assets in North Dakota. Last Monday, the USGS honored the request and will now take into account 17 other formations in the western part of the state which many believe could be exploited using technologies developed for the Bakken and Three Forks regions. According to North Dakota Petroleum Council President Ron Ness, the new assessment should “provide a much clearer picture of the resources we have in North Dakota.” [Read more.](#)

STATE – Regulatory

- **State Lease Sale – Alaska.** On December 6, the “State of Alaska received a record \$121 million in winning bids as 143 companies and investors sought leases in its annual North Slope lease sale.” According to state officials, the “sale was the third-largest in dollar terms since area-wide oil and leasing began there in 1998. It was the largest by bid value, netting an average \$110/acre, they noted.” [Read more.](#)
- **Methane Reductions – Pennsylvania.** *(Update to 12/4/17 Weekly Report)* As part of the governor’s strategy to reduce methane emissions from oil and gas sites, the Pennsylvania Department of Environmental Protection (DEP) published draft final permit revisions. According to the DEP, “[t]he plan is designed to reduce emissions from natural gas well sites, compressor stations and along pipelines, and will protect the environment, reduce climate change, and help businesses reduce the waste of a valuable product.” Once issued, the revised [Exemption 38](#) “will specify criteria for exempting existing and new or modified oil and gas exploration, development and production facilities from Plan Approval requirements” and [GP-5 and GP-5A revisions](#) “will be available for facilities that are not exempt from the requirement for having a Plan Approval prior to construction.” According to the law firm Saul Ewing Arnstein & Lehr LLP, the “new GP-5A permit will apply to unconventional gas wells and remote pigging stations, while the revised GP-5 will apply to natural gas compression stations, processing plants, and transmission stations.” The draft permits were scheduled for review by the DEP’s Air Quality Technical Advisory Committee last week. Final approval of the Exemption 38, GP-5, and GP-5A is expected in the first quarter of 2018. [Read more.](#)
- **Regional Environmental Protection Agency Appointment – Texas.** Last Monday, the U.S. Environmental Protection Agency (EPA) announced that Anne Idsal, a key deputy to Texas Land Commissioner George P. Bush, will be named as the new Region 6 EPA administrator. The Dallas-based Region 6 office covers Texas, Arkansas, Louisiana, New Mexico, and Oklahoma and oversees environmental issues in the region. Idsal currently oversees budgets and expenditures at the Texas General Land Office, which manages 13 million acres of land and mineral rights, and associated oil and gas leases in the state. [Read more.](#)

- **Tax Revenue – West Virginia.** West Virginia reports collecting \$96 million in property tax revenue from oil and natural gas production during the 2017 tax year, a decline of \$38 million from the previous year. According to Anne Blankenship, Executive Director of the West Virginia Oil and Natural Gas Association, the taxes fluctuate based on multiple factors, including commodity prices. [Read more.](#)

INDUSTRY NEWS FLASH:

♦ **Drilling permits could hit new high at current oil prices.** According to a new report from analysts at investment bank, Evercore, “if crude prices remain elevated, oil companies could take out some 5,000 onshore U.S. drilling permits this month, the biggest monthly haul of the year.” The number of U.S. drilling permits issued this year has climbed to 41,735, well above last year’s 27,239, and in November, oil companies took out 3,964 permits to drill onshore wells, up slightly from the previous month. [Read more.](#)

State-by-State Legislative Session Overview

New Jersey and **Ohio** are in regular session. The **District of Columbia** Council, **Puerto Rico** and the **United States** Congress are also in regular session. **Massachusetts** is in informal session.

Michigan is in recess until December 28 and is expected to adjourn sine die that day. **Rhode Island** is in recess to the call of the chair.

Pennsylvania adjourned its formal 2017 session on December 13. The General Assembly will hold informal sessions until January 2.

Connecticut will convene a special session between December 24 and December 29 to reverse funding cuts to the Medicare Savings Program, [The Connecticut Mirror](#) reports.

Connecticut Democratic Gov. Dannel Malloy has 15 days from presentment to act on legislation or it becomes law. **Delaware** Democratic Gov. John Carney has 10 days, Sundays excepted, to act on legislation or it becomes law. **Illinois** Republican Gov. Bruce Rauner has 60 days from presentment to act on all legislation passed during the veto session or it becomes law. **New Hampshire** Republican Gov. Chris Sununu has five days, Sundays excepted, to act on legislation or it is pocket vetoed. **New York** Democratic Gov. Andrew Cuomo has 10 days from presentment, Sundays excepted, to act on legislation from the regular and special sessions or it becomes law. **Rhode Island** Democratic Gov. Gina Raimondo has six days, Sundays excepted, to act on special session legislation or it becomes law. **South Carolina** Republican Gov. Henry McMaster has until two days after the next meeting of the legislature to act on regular session legislation presented after May 6 and special session legislation or it becomes law.

Wisconsin Republican Gov. Scott Walker had a signing deadline on December 14.

The following states are currently holding interim committee hearings: [Alabama](#), [Alaska](#), [Arizona](#), [Arkansas](#), [California Assembly](#) and [Senate](#), [Colorado](#), [Connecticut](#), [Delaware](#), [Florida House](#) and [Senate](#), [Georgia House](#) and [Senate](#), [Hawaii](#), [Idaho](#), [Illinois House](#) and [Senate](#), [Indiana](#), [Iowa House](#) and [Senate](#), [Kansas](#), [Kentucky](#), [Louisiana](#), [Maine](#), [Maryland](#), [Minnesota](#), [Mississippi House](#) and [Senate](#), [Missouri House](#) and [Senate](#), [Montana](#), [Nebraska](#), [Nevada](#), [New Hampshire House](#) and [Senate](#), [New Mexico](#), [New York House](#) and [Senate](#), [North Carolina](#), [North Dakota](#) (will not convene in 2018, interim hearings will be held until 2019) [Oklahoma House](#) and [Senate](#), [Oregon](#), [Rhode Island](#), [South Carolina House](#) and [Senate](#), [South Dakota](#), [Tennessee](#), [Texas House](#) and [Senate](#), [Utah](#), [Vermont](#), [Virginia](#), [Washington](#), [West Virginia](#) and [Wyoming](#).

The following states are currently posting bill drafts, prefiles and interim studies: [Alabama](#), [Arizona](#), [Arkansas](#), [Colorado](#) (proposed legislation appears on interim committee pages), [Delaware](#), [Florida House](#) and [Senate](#), [Georgia Study Committees](#), [House](#) and [Senate](#) prefiles, [Indiana](#), [Iowa](#), [Kansas](#), [Kentucky](#), [Maine Short Titles](#), [Preliminary Titles of Agency Requested](#) bills and [Study Items](#), [Maryland House](#) and [Senate](#), [Missouri House](#) and [Senate](#), [Montana](#), [Nebraska](#), [New Hampshire Legislative Service Requests](#) and [Withdrawn LSRs](#), [North Dakota](#) (2019 interim committee bills), [Oklahoma prefiles](#) and [House](#) and [Senate](#) interim studies, [South Carolina](#), [Utah](#), [Vermont](#), [Virginia](#), [Washington](#) and [Wyoming Interim Studies](#) and [prefiles](#).

Lands

Land Permits

Pennsylvania HB 1009 was delivered to Democratic Gov. Tom Wolf on December 11; Governor Wolfe will have until December 21 to sign or veto the bill or it will become law. This bill would release Project 70 restrictions on a parcel of property and structure located in West Newton Borough in Westmoreland County in return for the development of park and open space in the West Newton Borough in Westmoreland County. The amendments retain the bill's original provisions but would also release Project 70 restrictions on certain lands owned in Uwchlan Township in Chester County in exchange for the implementation of a multiuse recreational trail. The bill would take effect immediately.

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