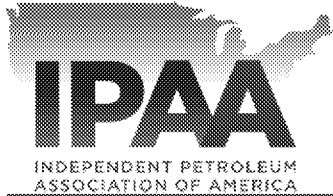


From: Neal Kirby [nkirby@ipaa.org]
Sent: 12/28/2017 6:49:57 PM
To: Neal Kirby [nkirby@ipaa.org]
Subject: IPAA and Western Energy Alliance Applaud Repeal of Costly, Burdensome Hydraulic Fracturing Rule



PRESS RELEASE

FOR IMMEDIATE RELEASE
Thursday, December 28, 2017

Contact: Neal Kirby [Ex. 6] (IPAA) or
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IPAA and Western Energy Alliance Applaud Repeal of Costly, Burdensome Hydraulic Fracturing Rule

WASHINGTON, D.C. – The Independent Petroleum Association of America (IPAA) and Western Energy Alliance today applauded the Department of the Interior’s decision to repeal a costly Obama administration federal rule on hydraulic fracturing.

“We applaud the Interior Department decision to completely rescind the Obama-era rule regulating hydraulic fracturing on federal lands,” **said Barry Russell, president and CEO of the Independent Petroleum Association of America.** “IPAA has long fought for independent oil and natural gas producers against an Obama-era federal rule that was overly restrictive and did not make hydraulic fracturing any safer than current state laws. The rescinding of this burdensome rule, which was never enacted due to IPAA and Western Energy Alliance’s ongoing legal challenge, will save our member companies and those operating on federal lands hundreds of millions of dollars in compliance costs without any corresponding safety benefits. We are pleased that the over five year-long process can now come to a favorable close as states continue to be in the best position to safely regulate hydraulic fracturing activities on their lands.”

“IPAA and Western Energy Alliance have been working together to prevent this overreaching rule from going into effect ever since the first draft was released in 2010,” **said Kathleen Sgamma, president of Western Energy Alliance.** “It was clear from the start that the federal rule was redundant with state regulation and politically motivated, as the prior administration could not point to one incident or regulatory gap that justified the rule. Western Energy Alliance appreciates that BLM under Interior Secretary Ryan Zinke understands this rule was duplicative and has rescinded it. States have an exemplary safety record regulating fracking, and that environmental protection will continue as before.”

Background:

On March 20, 2015, the Obama administration’s Bureau of Land Management (BLM) released its final rule regulating hydraulic fracturing activities on federal lands. IPAA and Western Energy Alliance, along with the states of Colorado, Wyoming, North Dakota, and Utah, and the Ute Indian Tribe, challenged the rule in the federal district court of Wyoming, characterizing the rulemaking as unsubstantiated and duplicative of states’ regulatory efforts. States have successfully regulated more than 1.2 million hydraulic fracturing operations spanning nearly 70 years and many have recently strengthened their regulations as production has increased and technology has improved. The rule is unnecessary and would add another layer of burden for independent oil and natural gas producers already struggling to navigate the complex and confusing regulatory program governing federal lands.

On September 30, 2015, a U.S. District Court judge granted IPAA and Western Energy Alliance’s motion for a preliminary injunction of the rule, stating, “Congress has not authorized or delegated to the BLM authority to regulate hydraulic fracturing and, under our constitutional structure, it is only through Congressional action that the BLM can acquire this authority.” On June 21, 2016, shortly after the preliminary injunction appeal case was fully briefed, the District Court judge struck down the BLM final rule. The judge agreed with industry that BLM does not have the congressional authority to regulate hydraulic fracturing on federal lands.

As expected, on June 30, 2016, the Obama administration and environmental parties filed an appeal to the District Court ruling with the Tenth U.S. Court of Appeals. In September 2017, the Court of Appeals dismissed the case, protecting producers from the business uncertainty of having to potentially comply with a regulation that is certain to be revoked by the Trump administration. The Tenth Circuit Court gave the Interior Department until January 12, 2018 to finish repealing the 2015 BLM hydraulic fracturing rule. Today’s decision by the Interior Department makes the court deadline moot. The repeal of the Obama-era rule is expected to be published in tomorrow’s Federal Register and will be effective immediately.

Read more about IPAA and Western Energy Alliance’s challenge to the 2015 BLM hydraulic fracturing rule at ipaa.org/fracking.

About the Independent Petroleum Association of America

The Independent Petroleum Association of America (IPAA) is a national upstream trade association representing thousands of independent oil and natural gas producers and service companies across the United States. Independent producers develop 90 percent of the nation’s oil and natural gas wells. These companies account for 54 percent of America’s oil production, 85 percent of its natural gas production, and support over 2.1 million American jobs. Learn more about IPAA by visiting www.ipaa.org and following [@IPAAaccess](https://twitter.com/IPAAaccess) on Twitter.

About Western Energy Alliance

Western Energy Alliance represents over 300 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. Alliance members are independents, the majority of which are small businesses with an average of fifteen employees. Learn more at www.WesternEnergyAlliance.org.

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