

## WEEKLY HIGHLIGHTS AT-A-GLANCE

### FEDERAL – Legislative

- **UPDATE ON U.S. H.R. 8 - North American Energy Security and Infrastructure Act of 2015.** The U.S. House of Representatives passed this bipartisan energy package last Thursday, which included an amendment offered by Rep. Joe Barton (R-TX) to lift the ban on U.S. crude oil exports. The crude oil exports amendment was approved by a bipartisan vote of 255-168. The bill now moves to the U.S. Senate, where for the first time, a number of Democrats have expressed a willingness to consider lifting the oil export ban in exchange for other concessions. [Read more.](#)

### FEDERAL – Regulatory

- **Public Lands; Leasing – Arkansas; Michigan.** On December 10, the BLM will hold a lease sale in Washington, D.C. for nine parcels in Arkansas and Michigan. Activists have threatened to disrupt or shut down the auctions in what may be a possible reprise of the havoc experienced at a recent sale in Salt Lake City, Utah, where the BLM postponed a lease sale. “This is new for the climate movement to be focused on lands policy,” said Jason Kowalski, policy director for 350.org, one of the groups planning to protest the upcoming lease auction in a bid to get the sale stopped. [Read more.](#)

### FEDERAL – Judicial

- **Public Lands; Leasing – Montana.** UPDATE: A federal judge has put on hold until early January a decision over a disputed energy lease near Montana’s Glacier National Park. Last month, the Interior Department said it planned to cancel the 6,200-acre lease granted in 1982 on land considered sacred to the Blackfoot tribes. In 2013, the lease owner, Solenex, LLC, sued (*Solenex, LLC v. Jewell*) after facing repeated delays from federal officials for development in the Badger-Two Medicine area. [Read more.](#)

### STATE – Administrative

- **Mineral Interest Conveyances; Recording Transfers – Ohio.** In response to the growing number of transfers of oil, gas and minerals, the Belmont County Auditor’s Office released for the first time a written policy detailing the requirements for such transfers. Specifically, the new policy outlines the creation of new parcel numbers for tracking purposes, while also discussing the taxation of these new parcels and its prospective impact on recordation and title curative. [Read more.](#)

- **Employee Misclassification – Louisiana.** According to the Louisiana Workforce Commission (LWC), the agency is on track for a record-setting year in identifying workers misclassified by employers as independent contractors. The reason for the high number of misclassified workers is that prior to 2010, the federal government required that audits be conducted randomly. After 2010, the LWC was permitted to conduct “risk-based” audits using tips, complaints, and information from “partner agencies” (i.e., the federal government), and focusing on industries in which worker misclassification is particularly prevalent. Additionally, under the Louisiana Fair Play Act of 2012, employers must provide notice of the difference between an employee and independent contractor in a conspicuous location in the workplace, which many believe has led to greater reporting by workers to state and federal agencies. [Read more.](#)

**INDUSTRY NEWS FLASH:** On December 3, a former XTO Energy landman was sentenced to more than five years in prison and ordered to pay \$1 million in restitution for oil and gas mail fraud. Steven E. Fisackerly, who worked in XTO’s Fort Worth offices as a landman from September 2008 to March 2012, admitted to defrauding the company for two of those years by generating bogus oil and gas leases and documents to receive fraudulent bonus checks. [Read more.](#)

## State-by-State Legislative Session Overview

**Illinois, Massachusetts, Michigan, the New Jersey Assembly, Ohio, and Pennsylvania** are in regular session. The **District of Columbia** Council and the **U.S.** Congress are also in regular session.

The following states are in recess and are expected to reconvene on the dates provided: the **New Jersey** Senate (December 10) and **Wisconsin** (January 12).

**California**’s special sessions on health and transportation have yet to adjourn, though the legislature has adjourned for the year and will not reconvene until January 4, the [Los Angeles Times](#) reports.

The following governors have bill signing deadlines on the dates provided: **South Carolina** Republican Gov. Nikki Haley has until January 14 to act on legislation or it becomes law without signature. **Maine** Republican Gov. Paul LePage has until January 16 to act on any bills sent to him on July 16. All other legislation has been acted on. **New York** Democratic Gov. Andrew Cuomo has 10 days from presentment, Sundays excepted, to act on legislation or it becomes law without signature.

**Alabama, Arizona, Florida, the Georgia House and Senate, Indiana, the Kansas House, Kentucky, the Missouri House and Senate, Oklahoma, South Carolina, the Tennessee House and Senate and Virginia** are now pre-filing for the 2016 legislative session.

The following states are currently holding interim committee hearings: **Alabama, Alaska, Arizona, Arkansas, the California Assembly and Senate, Colorado, Connecticut, the Florida House and Senate, the Georgia House and Senate, Idaho, Indiana, Iowa, Kansas, Kentucky, Maine, Maryland, Minnesota, the Mississippi House and Senate, the Missouri House and Senate, Montana, Nebraska, Nevada, New Hampshire House and Senate, New Mexico, the New York Assembly, North Dakota, the Oklahoma House and Senate, Rhode Island, the South Carolina House and Senate, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia and Wyoming.**

## Oil and Gas

### General Oil and Gas

**New Jersey** [AR 220](#) was adopted by the Assembly unanimously on December 3. The resolution would express the House's opposition to seismic blasting in the Atlantic Ocean near Barnegat Bay in New Jersey and would urge the National Marine Fisheries Service to cancel any future plans relating to the performance of seismic testing in that area.

**New York** [AB 2458](#) was delivered to Democratic Gov. Andrew Cuomo on November 30. Governor Cuomo has until December 11 to act on the bill or it becomes law without signature. The bill would require a copy of the notice of intent to construct certain fuel gas transmission lines to be served by certified mail to each landowner in which any portion of the line is to be located, in addition to current notification requirements. The landowner notice would have to include a clear explanation of how to file a notice of intent to become a party to the certification proceedings and the deadline for doing so. The effect of the line on certain agricultural lands would also have to be considered during the approval process. If enacted, these provisions would take effect immediately upon approval.

**Ohio** [SCR 6](#) was reported favorably by the House Energy and Natural Resources Committee on December 3. The concurrent resolution would urge the U.S. Congress to lift the prohibition on the export of crude oil from the United States, which has been in place since 1975.

### Leasing

**Pennsylvania** [SB 147](#), primarily sponsored by Sen. Gene Yaw, R-Lycoming, passed the Senate unanimously with amendments on January 28. It was referred to the House Environmental Resources and Energy Committee on February 2. As amended, the bill would require proceeds from oil and gas production to be paid within 90 days of production and remitted to the entitled person on a quarterly basis for the three months accumulation of proceeds totaling less than \$100. Delinquent payments would be paid at the legal rate of interest. It would also require interest owners in joint ventures to be provided with certain information each year if the joint

venture company is separately paying its share of the royalty. The lessor could submit a written request to inspect documents related to the payments. According to the [sponsor's memo](#), the bill is substantially similar to last year's [SB 1236](#), which stalled after it passed the Senate with amendments.

[SB 148](#) also passed the Senate unanimously on January 28 and was referred to the House Environmental Resources and Energy Committee on February 2. The bill would prohibit a lessee from retaliating against a lessor of natural gas rights by ceasing development because the owner reported a complaint or claim of a contractual violation. A lessor alleging violation of this provision could bring a civil action against the lessee if they provide evidence that shows they acted in good faith. If the court rules in favor of a lessor, the lessee could have to pay reasonable damages and could be subject to a civil fine of up to \$1,000 per day. The bill is substantially similar to last year's [SB 1237](#), which passed the Senate but failed to advance in the House.

### **Mineral Rights**

**New York** [SB 5288/Chapter 500](#) was signed by Democratic Gov. Andrew Cuomo on November 20. The new law will require oil, gas and mineral rights to be sold with a property that is sold by a tax district that has acquired the property through foreclosure. Chapter 500 will take effect on January 1, 2016.