

# GOVERNMENTAL AFFAIRS REPORT

## FEDERAL – Legislative

**U.S. House Energy & Commerce Committee Power Reliability Hearing.** On March 17, the U.S. House Committee on Energy & Commerce Energy Subcommittee held a hearing titled, *Winter Storm Fern Lessons: Supplying Reliable Power to Meet Peak Demand*. The hearing focused on lessons learned from Winter Storm Fern and ensuring electricity availability and grid reliability, which includes access to a diverse set of energy sources, including natural gas. To access a full video recording of the hearing and witness testimony, [Read more](#).

**U.S. Senate Environment and Public Works Committee Hearing on Implementing the Endangered Species Act.** On March 18, the U.S. Senate Environment and Public Works Subcommittee on Fisheries, Water, and Wildlife held a hearing titled, *Challenges and Opportunities with Implementing the Endangered Species Act*. The hearing examined how the Endangered Species Act framework has created uncertainty that can delay or complicate infrastructure projects without creating significant recovery outcomes and how to balance conservation goals with other stakeholder interests. To access a full video recording of the hearing and witness testimony, [Read more](#).

## FEDERAL – Regulatory

**BLM Instruction Memoranda Related to Energy Resources.** Since our prior reporting, the Bureau of Land Management (BLM) has issued three new instruction memoranda related to energy resources. As noted by the BLM, “instruction memorandum are directives that supplement the BLM manual sections and handbooks. Instruction memoranda or IMs contain new policy or procedures that must reach BLM employees quickly, interpret existing policies or

provide one-time instructions.” The first is [IM 2026-009 - Approval of APDs on Litigated Leases](#). The purpose of this Instruction Memorandum (IM) is to provide “Field Offices (FOs) with policy guidance for processing applications for permit to drill (APDs) on leases that are subject to litigation” and “to avoid confusion and inconsistency among field offices.” The second memorandum is [IM 2026-011 - Guidance for Conducting Air Quality General Conformity Evaluations](#). The purpose of the IM is to provide “guidance to State and Field office staff who conduct general conformity evaluations before the Bureau of Land Management (BLM) authorizes any actions including the development of federal onshore oil and gas on lands managed by the BLM in areas that the Environmental Protection Agency (EPA) has designated as nonattainment and/or maintenance areas in accordance with the requirements of the Clean Air Act (CAA) and the EPA’s General Conformity Regulations.” The third memorandum is [IM 2026-013 - Addressing Deficiency Extension Requests when Processing Applications for Permit to Drill](#). The purpose of this IM is to provide “Field Offices (FOs) with instructions for processing requests to extend the time for operators to submit responses to deficiencies that BLM has identified during its review of an Application for Permit to Drill (APD). This policy applies to all APDs (Federal and Indian) submitted to the BLM for processing.” To access all BLM IMs, see the agency’s policy website, [available here](#).

**BLM Information Collection for Land Use Applications and Permits.** On March 19, the BLM published a notice of information collection, *Agency Information Collection Activities; Land Use Application and Permit (91 Fed. Reg. 13323)*, seeking to extend an information collection from the public regarding “information that the BLM uses to determine whether such people are qualified to use, occupy, or develop

the public lands under certain conditions.” This information collection is relevant “for agricultural development, residential use, recreation concessions, business use, industrial use, and commercial use.” The public comment period is open through May 18, 2026. [Read more.](#)

**BLM Oil and Gas Lease Sale – Colorado.** On March 13, the BLM “opened a 30-day public scoping period to receive public input on 31 oil and gas parcels totaling 17,250 acres that may be included in a September 2026 lease sale in Colorado. The scoping period ends April 13, 2026.” [Read more.](#)

**BLM Oil and Gas Lease Sale – Utah.** On March 16, the BLM “opened a 30-day public scoping period to receive public input on 35 oil and gas parcels totaling 34,655 acres that may be included in a September 2026 lease sale in Utah. The scoping period ends April 15, 2026.” [Read more.](#)

**Commerce Department Evaluation of State AI Laws.** On March 11, the U.S. Department of Commerce published an “[Evaluation of State AI Laws](#),” as directed by President Trump’s December 11, 2025, Executive Order, “[Ensuring a National Policy Framework for Artificial Intelligence](#),” that required within 90 days that the Commerce Department publish an evaluation of existing state AI laws to identify conflicts with federal policy. According to the Commerce Department, their “report evaluates state AI laws to identify conflicts with federal policy, barriers to commerce, or impediments to innovation, aiming for a cohesive national strategy.” The report provides that the “Commerce Department’s work is intended to inform the White House and other federal agencies, guiding future policy decisions and potential legislative actions to harmonize AI regulation across the country.” [Read the Commerce Department Report here.](#)

**Federal Trade Commission AI Policy Statement.** On March 11, the Federal Trade Commission (FTC) issued a Policy Statement on AI and Section 5 of the FTC Act as directed by President Trump’s December 11, 2025, Executive Order, “[Ensuring a National Policy Framework for Artificial Intelligence](#),” that required

within 90 days that the FTC issue a policy statement on the application of the Federal Trade Commission Act’s prohibition on unfair and deceptive acts or practices regarding AI, and the preparation of a legislative recommendation establishing a uniform Federal policy framework for AI that preempts State AI laws that conflict with the policy set forth in the order by the President’s Special Advisor for AI and Crypto and the Assistant to the President for Science and Technology. According to the FTC, the “Policy Statement on AI clarifies how existing consumer protection laws under Section 5 of the FTC Act apply to AI systems and related commercial practices.” [Read the FTC Policy Statement here.](#)

**Interior Department to Hold Endangered Species Committee Meeting to Support Offshore Oil and Gas Production.** On March 31, the U.S. Department of the Interior’s Endangered Species Committee, which is “composed of six permanent members, including the Secretaries of the Interior, Agriculture, and the Army; the Chairman of the Council of Economic Advisers; the Administrators of the Environmental Protection Agency and the National Oceanic and Atmospheric Administration; and one individual from each state affected — is set to discuss an exemption under the Endangered Species Act (ESA) related to oil and gas exploration, development and production in the Gulf of America f/k/a Gulf of Mexico.” As reported by the Bracewell law firm, the “ESA authorizes the Committee to exempt federal agency actions and associated private activities from the requirements of the ESA under certain defined circumstances.” They further note it is expected that “the government will be looking to use these exemption provisions to insulate Gulf oil and gas activities from certain ESA requirements and legal challenges. This does not mean that no mitigation or protective conditions for ESA listed species will apply to activities. But an exemption could be used to cut back on more onerous conditions and/or preclude more conditions being imposed as a result of litigation.” [Read more.](#) The meeting, to be held at 9:30am EST, will be open to the public through livestreaming, [available here.](#)

## FEDERAL – Judicial

### **EPA Endangerment Finding – Washington, DC.**

On March 19, the Domestic Energy Producers Alliance (DEPA) announced it filed a motion to intervene as a respondent in the recently filed challenge to the U.S. Environmental Protection Agency's (EPA) repeal of the 2009 Greenhouse Gas Endangerment Finding in the case [\*American Public Health Association v. U.S. Environmental Protection Agency\*](#) (Case No. 26-1037). As we previously reported, the EPA rescission repeals all greenhouse gas emission standards for motor vehicles and engines under the Clean Air Act put in place during the Obama administration. Jerry Simmons, DEPA President and CEO said, "This filing is about making sure the voices of domestic energy producers are heard in a case that will have real, immediate consequences for our industry. Our members have spent years navigating and complying with a complex and costly regulatory framework that stemmed directly from the 2009 Endangerment Finding. If that finding is reinstated, those burdens don't just return in theory—they return in practice, impacting operations, investment decisions, and ultimately American energy affordability and reliability." [Read the DEPA press release here.](#) DEPA's motion comes on the heels of a March 6, 2026, motion to intervene by 25 states attorneys general, including Oklahoma, West Virginia, Texas, and Utah, among other oil and gas producing states, in support of the rescission. [Access the states' motion here.](#) For more background on the EPA rule rescinding the Greenhouse Gas Endangerment Finding, see the EPA resource website, [available here.](#)

**Leasing; Production Pause – Texas.** On March 10, in *Storey Minerals v. EP Energy E&P* (Case No. 24-20477), the U.S. Court of Appeals for the Fifth Circuit (Texas), ruled in favor of the lessee/operator as part of a bankruptcy proceeding by holding that a voluntary 40-day pause on oil production did not automatically terminate its mineral leases. For background, in 2020, "a substantial decrease in demand for oil (associated with the COVID-19 pandemic and other market forces) caused market prices to collapse. Seeking to avoid

producing oil that would be sold at a loss, or not at all, EP temporarily ceased production on the Eagle-Ford field, which included wells on the Leased Premises. Within 40 days, however, EP resumed production." As reported by *Bloomberg Law*, the "landowners argued their contracts required EP Energy to strictly comply with a requirement to drill or rework the wells following any stop. EP Energy 'flipped a switch' to turn existing functional wells back on instead of drilling or reworking, which didn't comply with lease terms, they said." The appellate court disagreed, holding that the "leases allowed for two alternative ways to maintain contracts if production stopped. Under Texas law, the contract could be maintained if production resumed, or if drilling or other reworking operations occurred, within 120 days of stopping, the court ruled. The landowner's strict interpretation of the contract would require EP Energy to do 'costly and unnecessary drilling or reworking operations for the sole purpose of avoiding automatic termination of the Leases,' the court found."

[Read more.](#)

## STATE – Legislative

**For all 900+ bills AAPL is currently monitoring and tracking for members, please see the continuously updated member-exclusive AAPL Governmental Affairs Bill Tracking Summary spreadsheet, available on the [AAPL website homepage](#) or [here](#).**

## STATE – Regulatory

**Title V Air Permits – Colorado.** On March 9, the U.S. Environmental Protection Agency (EPA) "sent six proposed permits to regulate air pollution from oil and gas wells on the Western Slope back to Colorado regulators because the state did not require adequate emissions monitoring at the sites." The partial rejection by the EPA, who agreed with an environmental group who petitioned for the review, found "that the six air permits were insufficient." This will require the Colorado Department of Public Health and Environment's Air Pollution Control Division to revisit their permitting in accordance with the EPA order.

[Read more.](#)

**Department of Environmental Protection Noise Policy Revisions – Massachusetts.** On March 2, the Massachusetts Department of Environmental Protection (MassDEP) released a Noise Policy Discussion Document for “plans to revise its 1990 Noise Policy to increase clarity and provide guidance regarding how MassDEP will evaluate compliance with the noise requirements pursuant to MassDEP’s air quality regulations.” Those regulations prohibit “unnecessary or excessive noise from man-made sources, including industrial commercial facilities and construction equipment.” However, as noted by law firm Beveridge & Diamond PC, “For sound sources permitted by MassDEP, the Energy Facilities Siting Board, or a local authority, compliance should be evaluated primarily against any applicable noise requirements and conditions outlined in the permit or authorization. This potentially means MassDEP would defer to permit conditions, which could be more or less strict than the Policy or regulations.” The public comment period is open through March 23, 2026. [Read more.](#)

**Clean Transportation Fuel Program – New Mexico.** To follow up our prior reporting, on March 16, the New Mexico Environment Department (NMED) announced its Climate Change Bureau (CCB) would hold a Clean Transportation Fuel Program Learning Webinar on April 1, 2026. According to the NMED, the CCB event will cover a brief overview of the Clean Transportation Fuel Program; a live demonstration of how to register an organization in the program’s Application, Reporting, and Compliance System (ARCS); a live demonstration of how to register fuel supply equipment (FSE) in ARCS; and answers to participant questions in a Q&A session. To register for the event, [Read more.](#) To learn more about the NMED Clean Transportation Fuel Program, you may [access an NMED Fact Sheet here](#) and through the NMED Clean Transportation Fuel Program website, [available here.](#)

**State Oil and Gas Lease Sale – New Mexico.** The New Mexico Commissioner of Public Lands has announced a state oil and gas lease sale with 8 tracts covering 1,198.9 acres to commence on April

14, 2026, one week prior to the lease sale date, with sealed bidding closing on April 21, 2026. [Read more.](#)

**Railroad Commission Strategic Plan – Texas.** On March 17, the Texas Railroad Commission (RRC) announced that it is seeking stakeholder input to aid the RRC in their development of the Annual Oil & Gas Division Monitoring and Enforcement Strategic Plan. Texas law requires the RRC “to develop an annual plan to use oil and gas monitoring and enforcement resources strategically to ensure public safety and protect the environment.” As provided, “For the Fiscal Year 2027 (FY27) Plan, the Commission seeks stakeholder feedback to inform the development of action items under two established goals that will address the full scope of oil and gas monitoring and enforcement activities: Goal 1: Accurately demonstrate the Commission’s oil and gas monitoring and enforcement activities [and] Goal 2: Strategically use the oil and gas monitoring and enforcement resources of the Commission to ensure public safety and protect the environment.” The deadline for public feedback is April 16, 2026. [Read more.](#)

**Railroad Commission Reaffirms Strength of Texas Energy Industry in Letter to President Trump – Texas.** On March 16, Texas Railroad Commission Chairman Jim Wright “sent a letter to President Donald Trump reaffirming the strength of Texas’ domestic oil and natural gas production and the Commission’s commitment to working with federal partners to support the nation’s energy needs.” In his letter to the president, and the National Energy Dominance Council, “Chairman Wright emphasized that Texas energy production remains strong and reliable, and that the Commission is prepared to work collaboratively with federal leaders and industry partners to ensure America’s energy supply remains secure.” [Read the letter here.](#)

## **STATE – Judicial**

**Fractional Royalties; Deeds – Texas.** On March 13, in [Clifton v. Johnson](#) (Case No. 23-0671), the Texas Supreme Court “provided long-awaited guidance on the recurring issue of how to interpret ‘double

fractions' in mineral conveyances." The case facts are that in 1951 "a deed was executed conveying an undivided 1/128 interest in oil, gas, and other minerals in certain Reeves County land. For nearly seventy years, the grantees and their successors received fixed 1/128 royalty payments without dispute. In 2020, a successor grantee, Johnson, asserted a different interpretation, claiming the deed provided a floating 1/16 nonparticipating royalty interest rather than the fixed 1/128 royalty everyone had understood and paid for decades." In reversing the appellate court holding, the Texas Supreme Court "held that a 1951 deed's conveyance of 'a 1/128 (1/16 of the usual 1/8 royalty)' equated to a fixed 1/128 royalty based on its literal arithmetical meaning." [Read more](#). As noted by law firm Baker Botts, "The case represents the first time the Court has held that a mineral instrument's language rebuts the *Van Dyke* presumption that double fractions indicate a floating royalty." For background, the appellate court, relying heavily on the [Van Dyke v. Navigator Group](#) (Texas 2023) "double-fraction" presumption, concluded that "conveying a fixed 1/128th mineral and floating royalty interest in fact conveyed a non-participating 1/16th interest and a floating 1/16th royalty interest." But here, the Texas Supreme Court held "that while the *Van Dyke* double-fraction presumption applied, the plain language of the deed rebutted the presumption, demonstrating that '1/8' was used for its ordinary numerical value, not as a term of art." Thus, the court "concluded the deed conveyed a fixed 1/128 royalty interest, not a floating 1/16 royalty." For key insights and takeaways from the decision, see further analysis from law firm Baker Botts, [available here](#). For a deeper dive into the background of the case, see an analysis from the Texas Civil Justice League, [available here](#).

**Commercial Solar Energy Facilities; Permitting – Illinois.** On March 10, the Illinois Appellate Court, Third District, addressed a dispute involving special use permits to build commercial solar energy facilities. In [Equity Solar Illinois v. County of Grundy](#) (Case No. 3-25-0289), the court "held that Illinois' 2023 Solar Amendments required Grundy County to grant special use permits to two solar energy projects that met all state requirements." As noted by law firm ArentFox

Schiff LLP, "The decision is a significant milestone for solar developers seeking to expand their footprint in Illinois." For background, "The Solar Amendments mandate that a request for a special use permit for a solar farm 'shall be approved' if it meets the standards established under the state law. Despite this directive, counties across Illinois have continued to reject solar siting permit applications, resulting in litigation across the state." In this case, Grundy County "denied the permits based on traditional zoning and siting considerations" resulting in the solar developers challenging that decision on "grounds that the county had a nondiscretionary duty to issue the permits." Here, the appellate court held that the Solar Amendments created a mandate and in rejecting the county's arguments wrote that, "this case does not involve traditional land-use decisions by a county." Rather, the "shall be approved" language in the Solar Amendments created "a mandatory, non-discretionary duty to issue special use permits to conforming applicants." [Read more](#).

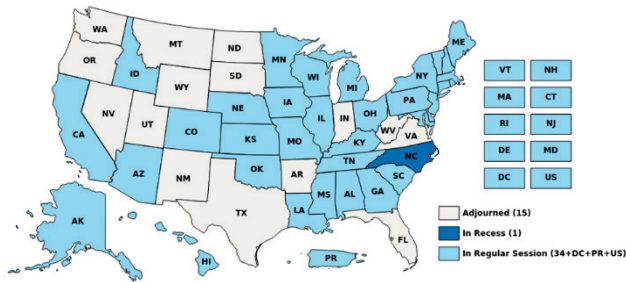
## **INDUSTRY NEWS FLASH**

► **Trump administration to release oil from the Strategic Petroleum Reserve in the wake of Iran conflict.** As reported by the *Oil & Gas Journal* on March 12, the Trump administration said it will release 172 million barrels of oil from the U.S. Strategic Petroleum Reserve (SPR) to "ease oil prices that surged after the U.S. launched its war against Iran." The SPR currently holds about 415 million bbl, or less than 59% of capacity, and Energy Secretary Chris Wright said, "the administration plans to replace the released barrels with 200 million bbl over the next year, arguing the action balances near-term market needs with long-term energy security." [Read more](#).

► **Texas leads nation in oil and gas jobs.** As reported by *Rigzone* on March 20, Texas "led the nation" in oil and gas jobs last year "with 476,777 people employed in the industry," a slight decrease from the previous year, according to the latest state of energy report released by the Texas Independent Producers and Royalty Owners Association. [Read more](#).

## LEGISLATIVE SESSION OVERVIEW

### States in Session



**Session Notes:** Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, Georgia, Hawaii, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, New Hampshire, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont and Wisconsin are currently in regular session. The U.S. Congress is also in regular session.

The following states are scheduled to convene for the 2026 legislative session on the dates provided: **Arkansas** (April 8) and **North Carolina** (April 21).

The following states are expected to adjourn their 2026 legislative session on the dates provided: **Idaho** (March 27), **Georgia** (April 2), **Mississippi** (April 5), **Kansas** (April 12), **Maryland** (April 13), **Kentucky** (April 15), **Nebraska** (April 17), **Alabama** (April 20), **Iowa** (April 21), **Tennessee** (April 24) and **Arizona** (April 25).

The following states adjourned their 2026 legislative sessions on the dates provided: **South Dakota** (March 12), **Florida** (March 13) and **Virginia** and **West Virginia** (March 14).

The **Virginia** General Assembly passed a joint resolution asking Democratic Gov. Abigail Spanberger to call for a special session to begin on April 23. According to [Cardinal News](#), the legislature adjourned the 2026 legislative session on March 14 without passing a biennial budget as the two chambers work

to resolve disagreements about data center tax exemptions.

The following states are currently holding 2026 interim committee hearings and posting interim studies: [Arkansas](#), [Montana](#), [Nevada](#), [North Dakota](#) and [South Dakota](#).

[Arkansas](#) is currently posting pre-files for the upcoming 2026 legislative session. ■

**AAPL Governmental Affairs Reports** are published bi-weekly exclusively for AAPL members. Current and archived past reports are available on the AAPL website at <https://www.landman.org/advocacy.html>. If there is an area or topic of interest that is not being covered please let us know by contacting [rcohen@landman.org](mailto:rcohen@landman.org).

### THANK YOU TO OUR ALLIANCE PARTNERS

Your support allows us to spread awareness of the land profession; advocate for the entire energy industry; recruit young professionals; and create evolving, effective programs and services that aid energy professionals and help shape the future.

bpx energy



COTERRA

devon

eog resources

EQT

expand

Ovintiv

OXY

This report is provided exclusively for AAPL members. If you have received this report as a non-member, please contact AAPL member services to learn more about joining AAPL. For more information, email [membership@landman.org](mailto:membership@landman.org) or call us at: 817-847-7700.

**CONTENT DISCLAIMER:** Information and/or website sources provided in this report may be among the many resources available to you. This report does not endorse nor advocate for any particular attorney or law firm, nor other private entity, unless expressly stated. Any legal, financial, and/or tax information contained herein is provided solely for informational purposes and does not represent legal, financial, or tax advice on behalf of AAPL and/or its affiliates. Links to outside sources are provided for reference only and any cited outside source is derived solely from material published by its author for public use. Any copyrighted material remains the property of its respective owner and no use or distribution authorization is granted herein.

© 2026 AAPL