

GOVERNMENTAL AFFAIRS REPORT

FEDERAL – Legislative

H.R. 4118 – Stop the Subsidized Green Energy Scam Act. On June 24, Rep. Roger Williams (R-TX) introduced [H.R. 4118](#), known as the Stop the Subsidized Green Energy Scam Act. According to Rep. Williams, the bill would immediately end “federal tax credits for wind, solar, and battery storage projects started after enactment.” The measure also repeals “provisions such as the Energy Credit, Clean Electricity Production Tax Credit, and Clean Electricity Investment Tax Credit” and “Puts an end to taxpayer-funded subsidies that prop up politically favored green industries.” [Read more.](#)

H.R. 4117 – Fuel Emissions Freedom Act. On June 24, Rep. Roger Williams (R-TX) introduced [H.R. 4117](#), known as the Fuel Emissions Freedom Act. The bill amends “the Clean Air Act to repeal the establishment of motor vehicle emission and fuel standards.” Specifically, the measure “Overturns all federal and state fuel emissions regulations, including California’s special authority under the Clean Air Act; Eliminates EPA vehicle emission limits, CAFE standards, and state-imposed tailpipe emissions rules;” and “Restores regulatory certainty to the U.S. automotive sector and empowers manufacturers to innovate freely without costly compliance barriers.” [Read more.](#)

FEDERAL – Regulatory

BLM Bakersfield Supplemental Environmental Impact Statement – California. On June 23, the Bureau of Land Management (BLM) published a notice of *Intent To Prepare the Bakersfield Field Office Oil and Gas Supplemental Environmental Impact Statement and Potential Resource Management Plan Amendment, California* ([90 Fed. Reg. 26605](#)). According to the notice, the BLM intends “to prepare a supplemental environmental impact statement (EIS)

and a potential resource management plan (RMP) amendment for the Bakersfield Field Office. The supplemental EIS will analyze the impacts of oil and gas leasing and development on BLM-managed public land and mineral estate in the Bakersfield Field Office planning area exclusive of the California Coastal National Monument and the Carrizo Plain National Monument. Lands withdrawn from mineral entry by law, including national monuments and designated wilderness areas, would remain unavailable for leasing and development. This notice initiates the process to solicit public comments to identify issues and announces a potential RMP amendment.” The public comment period is open through July 23, 2025.

[Read more.](#)

BLM Central Coastal Supplemental Environmental Impact Statement – California. On June 23, the BLM published a notice of *Intent To Prepare the Central Coast Field Office Oil and Gas Supplemental Environmental Impact Statement and Potential Resource Management Plan Amendment, California* ([90 Fed. Reg. 26602](#)). According to the notice, the BLM “California State Director intends to prepare a supplemental environmental impact statement (EIS) and a potential resource management plan (RMP) amendment for the Central Coast Field Office (CCFO). The supplemental EIS will analyze the impacts of oil and gas leasing and development on BLM-managed public land and mineral estate in the CCFO. Lands withdrawn from mineral entry by law, including national monuments and designated wilderness areas, would remain unavailable for leasing and development. This notice initiates the process to solicit public comments to identify issues and announces a potential RMP amendment.” The public comment period is open through July 23, 2025. [Read more.](#)

BLM Oil and Gas Lease Sale – Colorado. On June 18, the BLM announced that the Colorado State Office “opened a 30-day public comment period to receive public input on plans to include 61 oil and gas parcels, totaling 51,068 acres, in a December 2025 sale. The comment period ends July 18, 2025.” [Read more.](#)

BLM Gunnison County Oil and Gas Development – Colorado On June 20, the BLM announced it “issued a decision approving a final supplemental environmental assessment that provides enhanced air quality analysis and affirms previous decisions approving the Bull Mountain Unit Master Development Plan and the Dual Operator 5-Pad Proposal. The projects are for development of 55 private and 171 federal oil and gas wells on 38 new and existing well pads within the BLM Uncompahgre Field Office in western Gunnison County.” [Read more.](#)

BOEM Oil and Gas Lease Sale – Gulf of America. On June 25, the Interior Department’s Bureau of Ocean Energy Management (BOEM) announced “the publication of a Proposed Notice of Sale (PNOS) for an oil and gas lease sale in the Gulf of America. As directed by [the] Secretary of the Interior and outlined in the PNOS, Lease Sale 262 [scheduled for Dec. 10, 2025] will offer approximately 15,000 unleased blocks located 3 to 231 miles offshore across the Gulf’s Western, Central, and Eastern Planning Areas. Covering roughly 80 million acres, these blocks are situated in water depths ranging from 9 feet to more than 11,100 feet (3 to 3,400 meters).” [Read more.](#) According to the BOEM, “This sale is the first of three planned lease sales in the Gulf of America under the 2024–2029 Outer Continental Shelf Oil and Gas Leasing Program. BOEM is also in the process of developing a new National Outer Continental Shelf Oil and Gas Leasing Program that will include additional leasing opportunities.” The BOEM has also “proposed to reduce the royalty rate for deepwater leases (water depths 200 m or deeper) to 16.66% from the current 18.75%, the lowest deepwater rates since 2007.” [Read more.](#)

Interior Department Expanding Oil and Gas Development in Alaska’s National Petroleum Reserve. On June 17, the U.S. Department of the

Interior and Bureau of Land Management (BLM) announced “a new step to support American energy independence and unleash the vast resource potential of Alaska’s National Petroleum Reserve. A [draft analysis](#) released for public comment today supports the selection of a new alternative from the 2020 plan that would reopen up to 82% of the 23-million-acre reserve to oil and gas leasing and development, consistent with the Trump administration’s commitment to Energy Dominance and regulatory reform.” The public comment period is open through July 1, 2025. [Access the BLM public comment portal here.](#) Adam Suess, Acting Assistant Secretary for Land and Minerals Management, said, “This plan is about creating more jobs for Americans, reducing our dependence on foreign oil and tapping into the immense energy resources the National Petroleum Reserve was created to deliver. Under President Trump’s leadership, we’re cutting red tape and restoring commonsense policies that ensure responsible development and good stewardship of our public lands.” [Read more.](#)

SEC Withdraws Guidance on Company Foreign Climate Litigation Disclosure. On June 20, the U.S. Securities and Exchange Commission (SEC) withdrew George W. Bush-era guidance that public company “disclosure of environmental actions brought by a foreign government” was “require[d].” As reported by the Mintz corporate law firm, “In effect, the Trump Administration’s SEC has weakened yet another reporting obligation related to climate issues that had previously been imposed on companies. It is not clear what the immediate practical effect of this withdrawn guidance will be; the SEC’s guidance was non-binding, but rather served to provide interpretations of the relevant rules to assist corporate reporting.” The upside of the decision is that “this withdrawn guidance provides yet additional evidence of the regulatory rollback embarked upon by the Trump Administration, especially concerning climate issues. And this withdrawn guidance will offer a fig leaf to any corporate entity seeking to avoid reporting on climate change litigation brought against it by foreign governments, which is an increasingly likely prospect.” [Read more.](#)

USGS Oil and Gas Resources Assessment.

On June 18, the U.S. Department of the Interior announced they “released a [U.S. Geological Survey report on undiscovered oil and gas resources](#) in formations under the federally managed public lands of the U.S., estimating that there are technically recoverable resources of 29.4 billion barrels of oil and 391.6 trillion cubic feet of gas. If produced, that would be enough oil to supply all of the nation’s needs for 4 years at the current rate of consumption, and enough natural gas to meet the nation’s needs for nearly 12 years.” According to Sarah Ryker, USGS Acting Director, “In this report, we leveraged our extensive existing data to estimate oil and gas resources on federally managed public lands. We expect these estimates to be useful for state and national land management, energy futures analysis, and economic development planning.” [Read more.](#)

FEDERAL – Judicial

California Fuel Emissions Standards – U.S.

Supreme Court. On June 20, in a victory for the oil and gas industry, the U.S. Supreme Court sided “with fuel producers that had opposed California’s standards for vehicle emissions and electric cars under a federal air pollution law, agreeing that their legal challenge to the mandates should not have been dismissed.” In [Diamond Alternative Energy, LLC v. Environmental Protection Agency](#) (Case No. 24–7), the court held that “The fuel producers have Article III standing to challenge EPA’s approval of the California regulations.” For background, the case involved Biden-era EPA approval of a waiver under the federal Clean Air Act to allow California to impose stricter emissions standards than the federal law provides. Those state regulations “require automakers to manufacture more electric vehicles and fewer gasoline-powered vehicles with a goal of decreasing emissions from liquid fuels. The regulations require automakers to limit average greenhouse-gas emissions across their vehicle fleets and manufacture a certain percentage of electric vehicles. Several producers of fuels such as gasoline and ethanol sued EPA in the D.C. Circuit, arguing that EPA lacked authority to approve the California regulations because

they target global climate change rather than local California air quality problems as required by the Clean Air Act. They submitted standing declarations explaining that California’s regulations depress demand for liquid fuel by requiring vehicles that use less or no liquid fuel, causing the fuel producers monetary injury. California’s own estimates indicated the regulations would cause substantial reductions in demand for gasoline exceeding \$1 billion beginning in 2020 and increasing to over \$10 billion in 2030.” The lower courts held that the fuel producers did not have “the required legal standing to challenge a 2022 U.S. Environmental Protection Agency decision to let California set its own regulations.” In reversing, the Supreme Court held that “The government generally may not target a business or industry through stringent and allegedly unlawful regulation, and then evade the resulting lawsuits by claiming that the targets of its regulation should be locked out of court as unaffected bystanders,” [Read more.](#)

Leasing; Royalties; Equitable Recoupment –

Texas. Recently in *DDR Weinert, Ltd. v. Ovintiv USA, Inc.* (Case No. 23-50479), the U.S. Court of Appeals for the Fifth Circuit, on appeal from the U.S. District Court for the Western District of Texas, addressed a dispute involving an overpayment of royalties to a predecessor in interest. As noted by the court, before Ovintiv had discovered that overpayment, the mineral owners transferred their interests in the lands to the current plaintiffs. “After becoming aware of the overpayment, Ovintiv deducted the amount it overpaid the Richters from the royalties it paid to the Plaintiffs. The Plaintiffs filed suit against Ovintiv, claiming that Ovintiv’s reduction of their royalties was improper. The district court disagreed and granted summary judgment for Ovintiv. The Plaintiffs appeal from that decision.” Here, the court affirmed the lower court ruling in favor of Ovintiv by applying the doctrine of equitable recoupment. As provided by law firm Gray Reed, “The court identified two general requirements for equitable recoupment: (1) some type of overpayment must have been made, and (2) both the creditor’s claim and the amount owed to the debtor must arise from a single transaction. The plaintiffs conceded that recoupment is a valid, commonly

accepted remedy in the oil and gas industry. The question was whether each month's royalty obligation was part of the same transaction. The court determined that each payment obligation under the same oil and gas lease was part of a single transaction for the purpose of recoupment." In so doing, the court held "that equitable recoupment bars the Plaintiffs' claims here," noting that, "But for the doctrine, Ovintiv 'would pay the amount of overpayment twice—once to the overpaid royalty owner...and again to the [Plaintiffs] through [t]his suit.'" [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 through the AAPLConnect LANDNEWS and Governmental Affairs Network member forums [here](#) or on the AAPL website [here](#).

STATE – Regulatory

Social Cost of Carbon Petition for Rulemaking – Colorado. (*Update to 6/2/25 Report*) On June 13, the Colorado Energy & Carbon Management Commission (ECMC) announced the extension of the public comment period for an environmentalist petition for rulemaking to incorporate the social cost of carbon in the ECMC cumulative impacts analysis. That comment period is now open through July 16, 2025. [Read more.](#) For background, on May 19, the ECMC announced that environmental groups had filed a *Petition for Rulemaking to Adopt a Rule to Include the Social Cost of Carbon in Cumulative Impact Analysis*. The purpose of the filing is that the "Petitioners request that the Commission fulfill its statutory duty to evaluate and address cumulative climate impacts by adopting a rule requiring the quantification of greenhouse gas emissions from proposed operations, and evaluating cumulative climate impacts (at least in part) through the use of the Social Cost of Carbon ('SCC')." [See the petition here.](#) As previously reported,

the ECMC held a public hearing on June 16, 2025, to consider the petition. For more background on the petition and instructions for submitting public comments, [Read more.](#)

ECMC Statutory Alignment Rulemaking. On June 27, the Colorado Energy & Carbon Management Commission (ECMC) announced a notice of "Statutory Alignment" rulemaking which will amend the ECMC's Commission "Rules of Practice and Procedure." [Read more.](#) The ECMC will hold a stakeholder meeting on July 7, 2025 for the rulemaking. Additionally, "Persons or organizations wanting to participate in this rulemaking as a party are required to file a written request for party status with the Commission on or before Friday, July 11, 2025, at 5:00 p.m." For more information on attending the meeting and for party status, [Read more.](#) To learn more about the "basis, specific statutory authority, and purpose for amendments and additions" in this rulemaking, [Read more.](#)

Oil and Gas Lease Sale – Montana. The Montana Department of Natural Resources and Conservation has announced a state oil and gas lease sale that is open for bidding from August 28, 2025 through September 3, 2025. The sale features 9 tracts covering 5,440 acres available for lease. [Read more.](#)

RRC Monthly Summary of Texas Natural Gas – Texas. On June 18, the Texas Railroad Commission announced, "To better serve the public, the Railroad Commission of Texas is seeking input from users of the *Monthly Summary of Texas Natural Gas* as the agency considers potential changes to the report's content, structure and format. If you are a user of the *Monthly Summary of Texas Natural Gas*, the Commission is interested in hearing from you." According to the RRC, "The Commission is currently developing a new system to process Form R-3, and this is an ideal time to consider potential changes to the *Monthly Summary of Texas Natural Gas*." The RRC will be accepting public comments through July 18, 2025. [Read more.](#)

RRC DOGE Task Force – Texas. On June 25,

“Texas Railroad Commissioner Wayne Christian announced the launch of the Delivering Oil and Gas Efficiently (DOGE) Task Force today, a new internal initiative focused on improving processes, enhancing communication, and strengthening the Railroad Commission of Texas as a responsive, pro-business agency.” Commissioner Christian said, “As a lifelong conservative, I believe government works best when it’s limited, efficient, and accountable. The DOGE Task Force is about making sure our agency runs smarter – not bigger – and that we continue to serve the people of Texas with excellence.” According to the RRC, “The Task Force will conduct a top-to-bottom review of permitting, compliance, communication and internal processes, with input from both internal teams and industry and public stakeholders. That includes: Organizing in-person and virtual town halls with operators, landowners, and community members to identify regulatory pain points and hear where the system could better support timely, safe energy production; Standing up a dedicated casework team to help operators navigate questions and concerns, ensuring every inquiry is logged, tracked and resolved with certainty; Auditing outdated or duplicative rules that no longer serve their purpose and streamlining steps that add time but don’t add value; [and] Exploring common sense reforms to hearing procedures, especially for non-complex cases, to reduce costs and burdens on landowners, operators and the public.” [Read more.](#)

RRC Receives Historic Funding from Legislature – Texas. On June 23, the Texas Railroad Commission announced that “The Texas Legislature took major action this legislative session with historic funding for the Railroad Commission of Texas, appropriating more than \$593 million for the agency over the next two fiscal years. This appropriation includes \$100 million for oil and gas well plugging to be used by the RRC’s renowned State Managed Plugging Program (SMP) to address critical plugging projects. This is the largest one-time infusion of funds from the Legislature to support the SMP, which has plugged more than 46,000 wells since its inception in 1984.” The budget bill takes effect September 1, 2025. [Read more.](#)

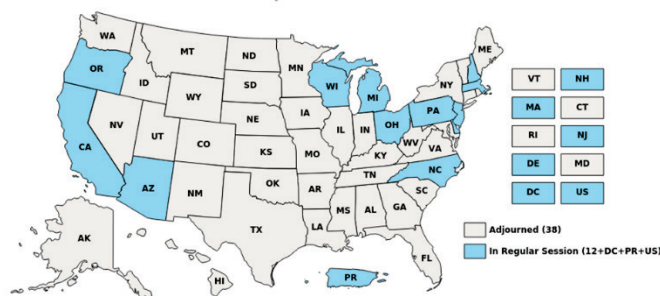
RRC Chairman Election – Texas. On June 17, the Texas Railroad Commission announced, “At today’s open meeting of the Railroad Commission of Texas, Commissioner Jim Wright was unanimously elected to serve as Chairman of the Commission. Following the vote, Chairman Wright released the following statement: ‘It is a high honor to serve the citizens of Texas as Railroad Commissioner and a true privilege to be able to do so alongside my two highly accomplished and devoted colleagues, Commissioners Craddick and Christian. I want to thank them for their dedication to the residents of our state and for entrusting me to serve as Chairman of this Commission.’” [Read more.](#)

INDUSTRY NEWS FLASH

► **Texas upstream oil and gas employment continues to grow.** As reported by *World Oil* on June 20, the “Texas Independent Producers and Royalty Owners Association (TIPRO) has highlighted new employment figures showing an increase in upstream employment in Texas in the month of May. According to TIPRO’s analysis, direct Texas upstream employment for May totaled 208,200, an increase of 2,200 industry positions from April employment numbers, subject to revisions. This represented an increase of 600 jobs in the services sector and 1,600 jobs in oil and gas extraction.” [Read more.](#)

LEGISLATIVE SESSION OVERVIEW

States in Session



Session Notes: Twelve states are currently in regular session. The **U.S. Congress** is also in session.

Texas Republican Gov. Greg Abbott has called a special session scheduled to begin on July 21. According to the [Texas Tribune](#), the special session comes after the governor vetoed 26 bills that were passed during the 2025 legislative session. Governor Abbott has placed six bills that he vetoed on the [agenda](#) for the upcoming session.

Governor Signing Deadlines (by date): **Nevada** Republican Gov. Joe Lombardo had until June 14 to act on legislation or it became law without signature. **Iowa** Republican Gov. Kim Reynolds and **Oklahoma** Republican Gov. Kevin Stitt also had until June 14 to act on legislation or it was pocket vetoed. **Texas** Republican Gov. Greg Abbott had until June 22 to act on legislation or it became law without signature. **Missouri** Republican Gov. Mike Kehoe has until July 14 to act on legislation or it becomes law without signature. **Alaska** Republican Gov. Mike Dunleavy has 20 days from presentment, Sundays excluded, to act on legislation or it becomes law without signature. **Florida** Republican Gov. Ron DeSantis has 15 days from presentment to act on legislation or it becomes law without signature. **Illinois** Democratic Gov. J.B. Pritzker has 60 days from presentment to act on legislation or it becomes law without signature. **Kansas** Democratic Gov. Laura Kelly has 10 days from presentment to act on legislation or it becomes law without signature. **Louisiana** Republican Gov. Jeff Landry has 20 days from presentment to act on legislation or it becomes law without signature. **Michigan** Democratic Gov. Gretchen Whitmer has 14 days from presentment to act on legislation or it is pocket vetoed. **New York** Democratic Gov. Kathy Hochul has 10 days from presentment, Sundays excluded, to act on legislation or it becomes law without signature.

The following states are currently holding 2025 interim committee hearings and posting interim studies: [Alabama](#), [Arkansas](#), [Colorado](#), [Georgia](#), [Hawaii](#), [Idaho](#), [Kansas](#), [Kentucky](#), [Maryland](#), [Minnesota](#), [Montana](#), [New Mexico](#), [New York Assembly](#) and [Senate](#), [North Dakota](#), [Oklahoma](#), [South Carolina](#), [South Dakota](#), [Tennessee](#), [Utah](#), [Vermont](#), [Virginia](#), [Washington](#), [West Virginia](#) and [Wyoming](#). ■

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