

GOVERNMENTAL AFFAIRS REPORT

FEDERAL – Legislative

House Caucus Endorses Bipartisan Permitting Reform Framework. On September 17, the House Problem Solvers Caucus “announced its endorsement of a bipartisan permitting reform framework. As momentum builds for Congress to act on permitting reform, the recommendations in this framework offer a commonsense, two-party roadmap to streamline the permitting process, boost energy production of all kinds, and give investors the clarity and confidence they need to invest in America. This framework was developed by the Problem Solvers Caucus Permitting, Energy & Environment Working Group, led by Reps. Scott Peters (CA-50) and Gabe Evans (CO-08), along with Co-Chairs Reps. Brian Fitzpatrick (PA-01) and Tom Suozzi (NY-03). The framework reflects months of bipartisan collaboration with energy producers, industry experts, Members across committees of jurisdiction, and stakeholders across the political spectrum. It lays out a path forward to update the permitting system so the United States can compete globally and remain a responsible steward of the environment.” [Read more.](#)

House Natural Resources Committee Hearing on Unleashing Alaska’s Extraordinary Resource Potential. On September 16, the House Committee on Natural Resources Subcommittee on Oversight and Investigations held an oversight hearing titled, *Unleashing Alaska’s Extraordinary Resource Potential*. The hearing focused on how “the Biden administration allowed Alaska’s exceptional natural resources to languish” and on how the Trump administration is overturning regulations and supporting permitting reform that “will unleash Alaskan energy development, mineral production, and infrastructure projects, most notably restoring critical activity in the Arctic National Wildlife Refuge.” To access a full video recording of the hearing and witness testimony, [Read more.](#)

House Energy and Commerce Committee Hearing on Permitting Reform Under the Clean Air Act. On September 16, the House Committee on Energy and Commerce Environment Subcommittee held a hearing titled, *From Gridlock to Growth: Permitting Reform Under the Clean Air Act*. The hearing focused on permitting reform under the Clean Air Act. Committee Vice Chairman Dan Crenshaw (R-TX) said, “The Clean Air Act permitting system is outdated, and projects that should be greenlit in months take years — if they happen at all — and companies that go beyond compliance to cut emissions, they get punished with additional red tape. Energy, like natural gas that has lowered emissions, becomes a boogeyman for the radical left. None of this overregulation makes our air cleaner.” To access a full video recording of the hearing and witness testimony, [Read more.](#)

FEDERAL – Regulatory

BLM Oil and Gas Lease Sale – Utah. On September 23, the Bureau of Land Management (BLM) “announced an oil and gas lease sale scheduled for Dec. 10, 2025, to offer 46 oil and gas parcels totaling 68,203 acres in Utah. The BLM completed scoping on these parcels in May 2025 and held a public comment period that closed in August 2025 on the parcels and the related environmental analysis. A 30-day public protest period to receive additional public input opened today and will close Oct. 23, 2025.” [Read more.](#)

BLM Oil and Gas Lease Sale – Utah. On September 24, the BLM “opened a 30-day public scoping period to receive public input on 59 oil and gas parcels totaling 71,787 acres that may be included in a March 2026 lease sale in Utah. The comment period ends Oct. 27, 2025.” [Read more.](#)

U.S. Department of Energy Seeks to Boost Oil and Gas Production. As reported by *E&E News* on September 24, “Energy Secretary Chris Wright is ordering a new study to bolster oil and gas development, a move that could guide future administration actions on pipelines, permitting and regulations. In a letter posted to the DOE site Monday, Wright directed the National Petroleum Council, a federal advisory committee, to deliver the ‘Future Energy Systems’ study for presentation at the council’s meeting in December. DOE-sanctioned studies can be significant for signaling where the administration is headed on policy and what it will be pushing for with Congress and industry.” [Read more.](#)

U.S. Department of Energy Accelerating Large-Scale Grid Infrastructure Projects. On September 18, the U.S. Department of Energy (DOE) announced “the [Speed to Power initiative](#), to accelerate the speed of large-scale grid infrastructure project development for both transmission and generation. The Speed to Power initiative will help ensure the United States has the power needed to win the global artificial intelligence (AI) race while continuing to meet growing demand for affordable, reliable and secure energy.” DOE further provided that to “kickstart the Speed to Power initiative, DOE is issuing a [Request for Information](#) focused on large-scale grid infrastructure projects, both transmission and generation, that can accelerate the United States speed to power. This includes input on near-term investment opportunities, project readiness, load growth expectations, and infrastructure constraints that DOE can address. The DOE is requesting stakeholder input on how to best leverage its funding programs and authorities to rapidly expand energy generation and transmission grid capacity.” [Read more.](#)

U.S. Environmental Protection Agency Proposes End to Greenhouse Gas Reporting Program. (*Update to 9/15/25 Report*) On September 16, the U.S. Environmental Protection Agency (EPA) officially published its proposed rescission of the EPA Greenhouse Gas Reporting Program in the Federal Register (See *Reconsideration of the Greenhouse Gas Reporting Program*; [90 Fed. Reg. 44591](#)).

According to the proposed rule, the EPA “is proposing to amend the Greenhouse Gas Reporting Program (GHGRP) to remove program obligations for most source categories, including the distribution segment of the petroleum and natural gas systems source category (subpart W—Petroleum and Natural Gas Systems), and suspend program obligations for the remaining subpart W segments until reporting year 2034.” The EPA is holding a virtual public hearing on October 1, 2025, and the public comment period is open through November 3, 2025. [Read more.](#) For background, on September 12, “U.S. Environmental Protection Agency (EPA) Administrator Lee Zeldin announced a proposed rule to end the burdensome Greenhouse Gas Reporting Program (GHGRP), saving American businesses up to \$2.4 billion in regulatory costs while maintaining the agency’s statutory obligations under the Clean Air Act (CAA). Unlike other mandatory information collections under the CAA, the GHGRP is not directly related to a potential regulation and has no material impact on improving human health and the environment. If finalized, the proposal would remove reporting obligations for most large facilities, all fuel and industrial gas suppliers, and CO2 injection sites.” As noted by the EPA, “The GHGRP requires 47 source categories, covering over 8,000 facilities and suppliers in the U.S. to calculate and submit their greenhouse gas (GHG) emissions reporting annually. Following a careful review, EPA proposed that there is no requirement under CAA section 114(a) to collect GHG emission information from businesses nor is continuing the ongoing costly data collection useful to fulfill any of the agency’s statutory obligations. Therefore, EPA is proposing to remove all GHG reporting requirements, except for those subject to the Waste Emissions Charge (WEC).” [Read more.](#) The WEC was removed by the EPA earlier this year. [Read more.](#) You may also access an EPA Fact Sheet on the [proposed GHGRP rulemaking here](#). For a deeper dive into the program and proposed rescission, see this comprehensive article from law firm Holland & Knight, [available here](#).

EPA Class VI Injection Well Carbon Capture Primacy – Arizona. (*Update to 6/16/25 Report*)

On September 10, the U.S. Environmental Protection Agency (EPA) announced it granted Arizona primacy over Class VI injection wells for carbon capture and sequestration, among other well classes. [Read more.](#) For background, on May 19, the EPA proposed granting Arizona state primacy over the wells in *Arizona Underground Injection Control (UIC) Program; Class I-VI Primacy* ([90 Fed. Reg. 21264](#)). As noted in the proposal, “The EPA’s approval of the State’s UIC program primacy application would allow the Arizona Department of Environmental Quality (ADEQ) to authorize underground injection for all underground injection wells regulated under the Federal SDWA [Safe Drinking Water Act] and ensure compliance with UIC program requirements.” As reported by law firm Snell & Wilmer, EPA Administrator Lee Zeldin “called the decision a win for ‘efficient and effective permitting,’ balancing groundwater protection with energy development.” [Read more.](#) With the approval, Arizona joins Louisiana, North Dakota, West Virginia, and Wyoming in state control over these wells. [Read more.](#)

EPA Emissions Guidelines Producers Letter.

On September 24, members of the Producers Association, which includes IPAA, the Permian Basin Petroleum Association, the Texas Independent Producers & Royalty Owners Association, and the Western Energy Alliance, among others, sent a letter to the EPA requesting the agency revise its “Subpart OOOOc Emissions Guidelines to create categories for low production oil and natural gas wells.” As noted by IPAA, the “letter outlines the inefficiencies of methane regulation under the Biden EPA and lays out a framework to manage emissions for low producing wells.” The letter closes by stating that the “information now available to understand low production oil and natural gas emissions shows that a reasonable, cost effective regulatory framework is possible if EPA is willing to embrace the key concepts presented herein.” [Read the letter here.](#)

FTC Noncompete Rule. On September 5, the U.S. Federal Trade Commission (FTC) “confirmed that it is

abandoning a Biden-era rule that, had it taken effect, would have barred the use of virtually all noncompete agreements across the country.” [Read more.](#) In a statement by FTC Chairman Andrew N. Ferguson and Commissioner Melissa Holyoak, “That Rule purported to ban almost all contracts in which an employee agreed not to work for his or her employer’s competitor after his or her employment. It did so prospectively and retrospectively, extinguishing thirty million existing private contracts. It preempted the laws of all fifty States, and actively displaced hundreds of existing laws across forty-six States. It redistributed nearly a half trillion dollars of wealth within the general economy. And it purported to render categorically unlawful a species of contract that has been lawful since the eighteenth century by reimagining a single clause tucked away in an ancillary provision of a century-old statute. Little more need be said about the legal viability of the Rule. The Rule’s illegality was patently obvious.” [Read more.](#) As noted by law firm Weil, Gotshal & Manges, “Based on recent actions, the Commission continues to focus on anticompetitive labor practices, albeit with a more tailored approach compared to the prior administration. Non-compete agreements and other restrictive employment covenants are likely to remain a focus for the FTC despite abandoning the nationwide ban. In addition, employers remain subject to the patchwork of state non-compete regulations. Thus, it continues to be critical to ensure that labor practices and policies conform with federal and state regulatory frameworks.” [Read more.](#)

STATE – Legislative

Requirements for Wind, Solar, and Storage

Facility Leases – Texas. As an update to our prior bill tracking, on September 22, law firm Foley & Lardner LLP published a useful article on new requirements for wind, solar, and storage facility leases in Texas. Specifically, the article focuses on changes to the state code related to [HB 3809](#) and [HB 3228](#), both enacted during the 89th Texas Legislative Session and which went into effect on September 1, 2025. Those bills respectively “impose decommissioning and financial assurance requirements for certain battery

energy storage facility agreements” and create “similar decommissioning and financial assurance obligations for wind and solar facility leases.” [Read more.](#)

For all 960+ 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

Los Angeles Proposed Oil and Gas Drilling Ordinance – California. On September 17, Los Angeles City Planning announced the release of its proposed Oil and Gas Drilling Ordinance per [Assembly Bill \(AB\) 3233](#) enacted in 2024 for public review and feedback available [here](#). As a result of a 2024 trial court ruling “and the City Council’s action to [rescind](#) the 2022 Oil and Gas Drilling [Ordinance No. 187,709](#), the proposed ordinance would amend the Los Angeles Municipal Code (LAMC) to reinstate the previously adopted policy relative to oil and gas drilling activity. Given the known hazards to public health and safety, the proposed ordinance would prohibit new oil drilling districts and disallow the expansion for the intensification of wells. The proposed ordinance is anticipated to go before the City Planning Commission (CPC) in fall 2025 where a recommendation will be made to the City Council for consideration at a future date. In addition, City Planning invites you to attend a stakeholder meeting to discuss the proposed oil and gas drilling policies for the City of Los Angeles, informed by Assembly Bill (AB) 3233. This stakeholder meeting will take place as an opportunity to go over the proposed ordinance, ask questions, and provide your valuable feedback as we progress through the legislative process.” The meeting will take place on October 1, 2025 and interested parties [can register here to attend the webinar](#). For further questions or to sign up for updates and/or provide feedback, you may email: planning.oildrilling@lacity.org. [Read more.](#)

NMED Clean Transportation Fuel Program – New Mexico. (*Update to 7/28/25 Report*) To follow up our prior reporting, on September 22, the New Mexico Environment Department (NMED) distributed a bulletin for its Clean Transportation Fuel Program (CTFP). According to the NMED, the “CTFP is a proven, market-based program that cuts greenhouse gas emissions, reduces harmful air pollution, and creates good-paying jobs right here at home [...] By switching to cleaner fuels and expanding choices like electricity, renewable diesel, and hydrogen, CTFP will help protect our air, water, and families for generations to come.” For further information, including access to a CTFP Explainer and Fact Sheet, [Read more.](#) The NMED will be continuing public hearings through October 3, 2025, and will provide for rebuttal testimony on November 17, 2025. Interested parties may submit [public comments here](#). You may also access the New Mexico Environmental Improvement Board [Pre-Hearing Order here](#). The NMED also provides that “Detailed information concerning the hearing, including the meeting room location, additional hearing details and access details such as times and how to participate or attend the hearing remotely, can be found on the New Mexico Environment Department (NMED) calendar (<https://www.env.nm.gov/events-calendar/>) under the calendar entry corresponding to the hearing start date. For more information, please contact the EIB Administrator at (505) 660-4305 or pamela.jones@env.nm.gov.” For more information about the proposed rulemaking, [see the EIB Docketed Matters website here](#). For further details, [Read more.](#)

New Mexico Surface Water Quality Bureau Rulemaking. On September 17, the New Mexico Environment Department’s (NMED) Surface Water Quality Bureau (SWQB) issued a reminder notice regarding *New Mexico Surface Water Quality State Permitting Program: Ground and Surface Water Protection (20.6.2 NMAC)* and *New Mexico Pollutant Discharge Elimination System (20.6.5 NMAC)* rulemaking. The SWQB invites the public to review and comment on NMED’s draft amendments to the State’s [Ground and Surface Water Protection, at 20.6.2 New Mexico Administrative Code \(NMAC\)](#) and NMED’s draft new rule to establish the [New Mexico](#)

New Mexico Environmental Improvement Board Operating Permits. (*Update to 5/5/25 Report*)

On September 22, the New Mexico Environment Department's (NMED) Air Quality Bureau posted a Regulatory Bulletin regarding the adoption of its “proposal to repeal and replace [20.2.70 NMAC](#), *Operating Permits*.” As noted by the NMED, previously, “the Board heard technical testimony” and “deliberated and voted unanimously to adopt the amendments.” That “Final Order and Statement of Reasons was signed on August 20, 2025. The rule was filed on August 15, 2025, and became effective on September 15, 2025.” [Read more](#). For further information on the rulemaking, see the NMED Proposed Air Quality Regulations and Plans website, and search for “Title V update (20.2.70 NMAC) to remove emergency provisions and update applicable requirements” on that webpage, available [here](#).

Quiet Title Actions; Assignments; ORRIs – Texas. Recently, the Texas 11th Court of Appeals (Midland) addressed appeals in consolidated cases in [*Thagard Mineral Partnership, LP v. Cass*](#) (Case Nos. 11-23-00207-CV; 11-23-00208-CV). As provided by the court, the “relief requested in Appellees’ motions for summary judgment stem from a quiet title action concerning the ownership of certain overriding royalty interests (ORRI). Central to these appeals is our construction of two assignments that pertain to those ORRI and other property interests, which various parties dispute.” In affirming the trial court, the appellate court rejected an argument that there were ambiguities in an assignment. Further, the court found no language “that limits the grant to the surface estate only, nor does it contain any exceptions from the grant whatsoever. As such, it does not at all narrow or limit the broad granting language contained in” the

► **EIA Forecasts Output Outpacing Demand in 2025 and 2026.** In its latest short term energy outlook (STEO), the U.S. Energy Information Administration (EIA) forecasts that global petroleum and other liquid fuels production “will come in higher than consumption in 2025 and 2026.” In the STEO, “the EIA projected that world petroleum and other liquid fuels production will average 105.54 million barrels per day in 2025 and 106.64 million barrels per day in 2026. The STEO expects crude oil to make up 78.39 million barrels per day of the 2025 figure and 78.90 million barrels per day of the 2026 figure, and other liquids to make up 27.15 million barrels per day of the 2025 total world petroleum and other liquid fuels production figure and 27.74 million barrels per day of 2026’s total figure.”

[Read more.](#)

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

North Carolina passed an adjournment resolution that called for the regular session to recess and then reconvene monthly through April 2026. The legislature was currently in session until September 25 and is then next scheduled to convene on October 20.

New Mexico Democratic Gov. Michelle Lujan Grisham [announced](#) a special session that is scheduled to begin on October 1. However, none of the announced legislative priorities relate to the energy industry. According to [Source New Mexico](#), the special session will address federal cuts to Medicaid and nutrition programs, as well as funding for public broadcasting.

Governor Signing Deadlines (*by date; active sessions*): **California** Democratic Gov. Gavin Newsom (October 13). **Illinois** Democratic Gov. J.B. Pritzker has 60 days from presentment to act on legislation or it becomes law without signature. **Michigan** Democratic Gov. Gretchen Whitmer has 4 days from presentment to act on legislation or it is pocket vetoed.

The following states are currently holding 2025 interim committee hearings and posting interim studies: [Alabama](#), [Arizona](#), [Arkansas](#), [California Assembly](#) and [Senate](#), [Colorado](#), [Connecticut](#), [Delaware](#), [Florida House](#), [Georgia](#), [Hawaii](#), [Idaho](#), [Indiana](#), [Iowa](#), [Kansas](#), [Kentucky](#), [Maine](#), [Maryland](#), [Minnesota](#), [Mississippi House](#) and [Senate](#), [Missouri](#), [Montana](#), [Nebraska](#), [Nevada](#), [New Hampshire House](#) and [Senate](#), [New Mexico](#), [New York Assembly](#) and [Senate](#), [North Dakota](#), [Oklahoma](#), [Oregon](#), [South Carolina](#), [South Dakota](#), [Tennessee](#), [Utah](#), [Vermont](#), [Virginia](#), [Washington](#), [West Virginia](#) and [Wyoming](#).

The following states are currently posting pre-files or bill drafts for the 2026 legislative session: [Alabama](#), [Florida](#), [Iowa](#), [New Hampshire](#), [Tennessee](#) and [Wyoming](#). ■

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