



TEXAS GENERAL LAND OFFICE

JERRY PATTERSON, COMMISSIONER

Office of Communications • Mark Dallas Loeffler, Director
1700 N. Congress Ave. • Austin, TX 78701-1495 • 512-463-5339 • Fax: 512-475-1415

MEDIA ADVISORY

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Contact: Jim Suydam
(512) 463-5339
(512) 417-5382 cell

Patterson takes case against Exxon-Mobil to Railroad Commissioners

Commissioner seeks administrative fines against nations' top oil producer for sabotage and fraudulent reports

AUSTIN — Texas Land Commissioner Jerry Patterson will ask Texas Railroad Commissioners Tuesday to hold hearings into Exxon-Mobil's sabotage of South Texas wells and their fraudulent well-plugging reports.

"Exxon committed irrefutable, intentional and flagrant violations of state rules regulating the oilfield," Patterson said. "The Texas Railroad Commission should act to enforce its own rules."

Patterson will address the Railroad Commissioners at the beginning of their regularly scheduled meeting at 9:30 a.m. Tuesday, August 18. The Texas Railroad Commission meets in the William B. Travis Building, 1701 North Congress, room 1-111. To view a Web cast of the Texas Railroad Commission's meeting, log on to <http://www.texasadmin.com/cgi-bin/txrail.cgi>

Patterson's case against Exxon-Mobil centers on a dispute with the O'Connor family, a venerated Texas dynasty with roots going back to the Republic. In the 1950s, Exxon-Mobil negotiated an oil lease with the O'Connors for their oil-rich expanse of land in Refugio County. When the relationship turned sour in the 1990s, Exxon-Mobil terminated the lease and plugged the wells. As per state rules, Exxon filed paperwork with the Railroad Commission outlining its well-plugging procedures and filed sworn affidavits as to the final condition of the wells.

The O'Connor family soon learned those reports to the Railroad Commission were fraudulent, and they won their case in court all the way up to the Texas Supreme Court, which didn't rule on the merits of the case, but tossed it out because the O'Connor's had waited too long to file their grievances.

According to Texas Railroad Commission regulations, Exxon-Mobil could face penalties of between \$1,000 \$10,000 per well, per violation for every day since 1992. With over 100 wells in the original lease, the administrative penalties could be substantial, but a conservative estimate puts the figure at least in the millions.

WHO: Texas Land Commissioner Jerry Patterson
WHAT: Texas Railroad Commission meeting
WHERE: William B. Travis Building, 1701 North Congress, room 1-111
WHEN: 9:30 a.m. Tuesday, August 18
WHY: Commissioner Patterson will ask the Texas Railroad Commissioners to hold hearings into Exxon-Mobil's sabotaging of well heads in South Texas

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