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SSDA-AT Calls for CTA Delay

By Roy Littlefield

SSDA-AT has come out in force calling on Congress to adopt a one-year delay of the Corporate Transparency Act as part of this year's National Defense Authorization Act.

The effort, led by SSDA-AT and more than 135 of its trade association allies, is in support of a pair of NDAA amendments.

Amendments sponsored by Senators Tim Scott (#2169) and James Lankford (#2831) would provide the business community and federal regulators additional time to educate millions of small business owners regarding the CTA's new reporting requirements and the onerous penalties resulting if they fail to comply.

They would also allow time for the ongoing legal challenge to work its way through the courts while restoring Congress's original intent to give covered entities a full two years to comply with the statute's reporting requirements.

Although filing under the CTA began at the start of this year, only a few million businesses have registered while an estimated 28 million covered small businesses have yet to file. This compliance rate of less than 10 percent is a direct result of the general lack of

awareness among business owners regarding the new rules.

Recent court decisions have added to the confusion. In March, the United States District Court for the Northern District of Alabama found the CTA exceeded the Constitution's enumerated powers and is therefore unconstitutional. That case was appealed and will be heard by an appellate court later this year. In the meantime, however, FinCEN continues to enforce the CTA against all small businesses and other entities not named in the lawsuit.

The CTA originally was enacted as part of the FY2021 NDAA, so it makes sense to initiate a delay via this year's defense spending bill.

It's also worth noting that while the CTA was quietly snuck into the NDAA – after having received no public debate or hearings.

The one-year delay called for by Senators Scott and Lankford is what the business community needs right now. It would give them time to learn about the CTA, time for the courts to issue a ruling, and time for FinCEN to finish the job of educating the public about the new law.



How to Recognize the Signs of Email Fraud

Cybercrime Is on the Rise

Cybercriminals are finding increasingly clever ways to infiltrate your business and compromise your security. Net Driven wants to make sure your shop is protected from harmful digital attacks.

You may be thinking, “Cybercrime only targets large corporations. I have nothing to worry about.” However, every year one in five small organizations is a victim of cybercrime. Cybercriminals target smaller organizations because they assume that these businesses have fewer defenses in place to prevent cyberattacks.

“Well,” you say, “is there anything I can do to avoid a cyberattack if it comes my way?” Good news, 100% of cybercrime can be prevented through the vigilance of your “human firewall.” What is this resource? It’s you and your team members, who can form an impenetrable barrier against cybercrime by knowing the types of attacks and how to address them.

Email Fraud

Did you know that 91% of data breaches are conducted through email fraud? Email allows cybercriminals to impersonate another entity as a means to connect with and extort your business. The most common type of email fraud is phishing.

“Phishing” is a fraudulent email that claims to be from a legitimate source in order to access sensitive information such as passwords and credit card numbers. For example, popular phishing angles include security alerts on your professional or private accounts, changes to your health benefits and HR announcements. But when you interact with these fraudulent emails, such as clicking a link or attachment, you could be compromising your private information and putting your shop at risk.

Recognize the Signs of a Phishing Email

Phishing emails have evolved to target specific emails by appearing highly personalized, such as addressing you by name or repeating some information about your position. It’s important to always look twice at an email, as it can appear innocent at first but contain some telltale signs of fraud.

Here is a list of signs to identify a phishing email:

Fake “From” Email: Hackers often try to infiltrate businesses by impersonating a legitimate domain, such as a subscription service or vendor. Always make sure the “From” email is legitimate (e.g., ends in “@netdriven.com”). If you receive an email that seems out of the ordinary for your role (e.g., you work in sales but were billed an invoice), check with a coworker or supervisor to confirm that email is real and was meant for you.

Generic Greeting: Cybercriminals may not have access to your personal information, so they make do with generic email content. Openers such as “Dear Customer” may be a sign that the email was sent by a hacker.

Poor Writing: If you receive an email that is riddled with mistakes like misspellings and bad grammar and punctuation. Remember, a credible business would not send you an email that contains poor writing. Now, you may not be surprised to receive this email from your coworker who doesn’t use punctuation, but keep your guard up if you receive an internal email has a strange tone or seems out of the ordinary.

Urgent Content: Urgency is a common cybercriminal tactic, as they’re trying to fluster you into making a snap decision and walking into the trap. If you receive an unexpected email whose subject line urges you to open immediately or

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NET DRIVEN



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whose body message tells you to click on a link or download an attachment now, take a step back. Ask yourself, “Is this email asking me to do something out of the ordinary? Is there a legitimate reason I would need to act now?”

Fake Links & Attachments: Phishing emails use fraudulent links and attachments to breach your security walls and gain access to payment and contact information or slip a virus into your software. Doublecheck any links before clicking to determine the link structure looks normal and matches the email sender. Does the URL represent a real website and start with “HTTPS:”? Similarly, don’t click on an unexpected or funny-looking attachment.

Tips to Stay Vigilant & Protect Your Business

Constant vigilance will prevent a security breach every single time. First, follow the three fundamental steps of thwarting a cyberattack:

Stop: Check and doublecheck your incoming emails. Never absentmindedly click on an email.

Look: Look twice before you interact. Do you see any signs that the message is a phishing scam?

Think: Does this email look real? Is anything out of the ordinary?

Additional steps to prevent a security breach:

Create unique, complex passwords for every account & never share your password(s) with anyone.

If an email looks “phishy,” contact the sender in a different way, such as by phone or visiting their website in a different browser.

Don’t log into an account using a login link in an email. Go to the actual login page and enter your credentials there.

Use second-hand verification if you receive a strange email from a company or coworker. Make sure you always know to whom you’re responding.

Don’t click on an email attachment if you don’t know what it’s for or what’s inside.

If you suspect an email is fake, report it as a phishing attempt to your email service provider immediately.

Bottom Line: Provide Security Awareness Training

Your team can be your greatest cyber security asset or your biggest vulnerability, depending on how prepared they are to recognize and navigate a security threat. We highly recommend providing security awareness training for your entire team, as trained employees are more likely to notice and report suspicious emails. Create guidelines for your team to follow in terms of identifying and reporting suspicious emails and other security threats.



CO2 Pipelines Making Slow But Steady Progress

Increased federal support and Class VI well primacy won by certain states are accelerating the development of carbon capture and storage pipelines in the Midwest and South, despite technical challenges and public opposition.

Around 30 CCS pipeline and well projects have been proposed in Louisiana alone, but construction is still far off as developers navigate extensive review processes and preliminary planning stages, according to energy attorney Colleen Jarrott.



Cheap Gas Drives Increase in US Power Generation

US power producers took advantage of low natural gas prices to generate a record 1,334 billion kilowatt-hours in the first four months of 2024, up 4% from the same period last year, according to the Energy Information Administration.

However, this surge in gas-fired electricity generation did little to reduce

brimming gas inventories, which remained 17% above the seasonal average for the previous 10 years as of July 19.



Harris' Energy Policy is Strategically Ambiguous, Her Aides Say, Reuters

In days since Vice President Kamala Harris entered the race for the White House, she has kept energy executives guessing.

Is she the climate and anti-pollution warrior who was attorney general of California? Or the pragmatic Number Two in the Democratic Biden administration that oversaw record U.S. oil production and exports.

In speeches over the last week, she has mentioned the word climate seven times, but the words energy, fracking and oil have yet to cross her lips.

Opinion polls show broad support for tackling climate change, especially among younger voters. But her campaign aims to avoid alienating either side. Several aides describe her plan on controversial energy issues as one of strategic ambiguity.

The goal is to attract voters in battleground states like Michigan, Pennsylvania and Wisconsin where elections are decided. There, blue-collar workers rely on extractive, power and manufacturing industries and often back Republican policies that seek to maximize and prolong fossil fuel output.

Harris' Republican rival in the Nov. 5 election already has voiced his view. In an interview with billionaire Elon Musk on Monday, Donald Trump called Harris a "radical left lunatic." He questioned the urgency attached to climate change.

In five of her speeches the last week, she uttered the same 10-word phrase in the

context of Trump, saying: "He intends to surrender our fight against the climate crisis."

Harris' late entry to the presidential race has given her little time to finesse policies. One campaign official, when asked about specific policy proposals, observed: "We barely have campaign signs."

TOEING THE BIDEN LINE MORE CLOSELY

The Harris campaign declined to provide specific answers to detailed questions about her energy policy and how her past statements align with her current approach, but suggested that she would adhere more closely to the policies of the Biden administration than some of her policies in California or when she first sought the presidency in 2019.

HARRIS NO LONGER FAVORS A FRACKING BAN ON FEDERAL LANDS

The Harris campaign has clarified her position on one issue. She no longer supports a ban on fracking on federal lands. Biden tried and failed to impose that ban, which was contested by several states and blocked by a federal judge in Louisiana.

In 2019, Harris outlined a detailed energy and climate platform that supported the ban and opposed all new fossil fuel infrastructure projects.



Harris Once Wanted to Ban Fracking. Trump Wants Voters in Energy-Rich Pennsylvania to Remember, AP



Facing the need to win battleground Pennsylvania, Vice President Kamala Harris is swearing off any prior assertion that she opposed fracking, but that hasn't stopped Republican Donald

Trump from wielding her now-abandoned position to win over voters in a state where the natural gas industry means jobs.

Last week, in his first appearance in Pennsylvania since Harris became the Democrats' presumptive nominee, Trump repeatedly warned that Harris would ban fracking — a position she held as a presidential primary candidate in 2019 — and devastate the economy in the nation's No. 2 natural gas state.

"She's against fracking, she's against oil drilling, she wants everybody to have one electric car and share it with the neighbors," Trump told rallygoers at a Harrisburg rally on Wednesday, which was also his first appearance in the state since he was wounded in a July 13 assassination attempt in Butler County. "Harris has stated repeatedly that she supports, quote, banning fracking. I'll ban fracking, I'll ban it on my first day."

Harris' campaign, in a statement, insisted she would not ban fracking, and called Trump's claims an "attempt to distract from his own plans to enrich oil and gas executives at the expense of the middle class."

Still, Trump criticized Harris' support as a senator and candidate in 2020's presidential primary for a Democratic resolution to create a "Green New Deal," a sweeping progressive effort to shift the country toward renewable energy. Trump called the platform — never fully translated into policy proposals — a "\$100 trillion green new scam designed to abolish the oil, coal and natural gas industry entirely."

While Harris considers choosing popular Pennsylvania Gov. Josh Shapiro as a finalist to be her running mate on the Democratic ticket, Trump has made it clear that he won't concede the swing state, part of the decisive "blue wall" along with Michigan and Wisconsin. Trump repeatedly has said his administration would "drill baby drill" and dismissed Harris' change of position with these words of caution: "Remember, a politician always goes back to what their original thought was."

Fracking is nearly always on the ballot in Pennsylvania. Formally named hydraulic fracturing, it has made the United States an oil and gas superpower over the past decade, along with horizontal drilling.

Republicans routinely attack Democrats over fracking to drive a wedge into the party's fragile alliance between its left wing, which is hostile to fossil fuels, and its bedrock building trade union base, whose workers are building an expanding network of gas pipelines, power plants and processing facilities in Pennsylvania.

Republicans have used similar attacks in the past two election cycles, both unsuccessfully, against Joe Biden in 2020's presidential race and against Sen. John Fetterman in 2022.

To attack Biden in 2020, Republicans seized on a series of confusing statements — such as remarks on the oil industry from a debate just a couple weeks before the election — to claim he intended to "ban" or end national gas extraction. That was not Biden's official position, and if he intended to restrain the extraction method, it was hard to find evidence of it in energy production data during his first three years in office.

Biden has sought to slow down leasing on federal lands and emphasize conservation as part of a large-scale effort to slow global warming. But U.S. natural gas production and crude oil production have hit record monthly highs in the past year, according to federal energy statistics. The same thing has happened with gas produc-

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Harris Once Wanted to Ban Fracking. Trump Wants Voters in Energy-Rich Pennsylvania to Remember, AP

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tion in Pennsylvania, which also has posted record monthly highs during Biden's time in office.

Harris has backed Biden's plan to reach net-zero greenhouse gas emissions by 2050. But that plan never included a ban on fracking, and Biden has said he viewed those energy sources as necessary during the transition.

Trump, meanwhile, has heavily courted the gas industry in Pennsylvania and has ridiculed the science behind increasingly urgent warnings for immediate action to stave off the worst of climate damage by cutting fossil fuel emissions.

Oil and gas producers have opposed a range of energy policies under Biden, including tougher regulations on tailpipe emissions and vehicle fuel economy that they see as a de facto electric vehicle mandate, clamping down on leases on federal lands and delaying liquefied natural gas projects.

Energy companies want to know whether Harris will continue down those roads.

"It's safe to say that we and a lot of other folks are eager to hear from the vice president," said Dustin Meyer, a senior vice president at the American Petroleum Institute.

Attacking Harris over fracking is reminiscent of Republican efforts to turn union workers against Democrat Hillary Clinton in 2016. In tenor and scale, Trump's overtures to the industry have echoed the unfulfilled promises he made to save the coal industry during his first campaign.

Clinton was hammered for saying "we're going to put a lot of coal miners and coal companies out of business" when describing her climate plan, a comment that was used to suggest she had declared war on coal.

Democrats in Pennsylvania — such as Fetterman, Shapiro and U.S. Sen. Bob Casey — have successfully run on getting tough on fracking through stronger regulation. They shun talk of a fracking ban, although they may not necessarily

support every aspect of Biden's energy policy if unions oppose it.

When Biden dropped his candidacy, the United Association of Union Plumbers and Pipefitters, whose members work on pipelines and in power plants, quickly endorsed Harris in a unanimous vote.

Mark McManus, the union's general president, pointedly noted that Harris "did have a previous position in a previous role in a different state," but said she has been clear about her new position on fracking.

"And it's a good position for the United Association," McManus said. "She's a nationwide candidate right now."

McManus described Harris' energy approach as being joined at the hip with Biden, a Pennsylvania native the union endorsed twice in his races against Trump, including this year's campaign. McManus embraced what he described as an "all of the above energy approach."

Still, in a heavily populated and heavily contested state where Trump won by just over 44,000 votes in 2016 and Biden won by just over 81,000, any marginal change is significant, campaign strategists and pollsters say.

Christopher Borick, director of the Muhlenberg College Institute of Public Opinion in Allentown, said fracking simply won't be a decisive factor for most Pennsylvania voters because opinions on it are highly divided in the state.

The gas industry has flushed money into some local economies. But it has also inspired a backlash in other communities, most notably in Philadelphia's suburbs.

The sweet spot for statewide candidates — such as Casey, Shapiro and Fetterman — has been not calling for a ban, but calling for tight regulation, clear disclosure about the process and limits on where it can be done, Borick said.

"It's been successful for all of them," Borick said, "and that's where you see Harris going now."

Harris Campaign Said She Would Not Ban Fracking, Reversing Past Pledge, TRIB

Vice President Kamala Harris will not seek a ban on natural gas drilling, or fracking, if elected, according to a statement from her campaign.

“She would not ban fracking,” the Harris campaign said in a statement to TribLive.

The statement comes as a reversal of Harris’ past comments on fracking. In 2019, while running for president in the Democratic primary, Harris said during a CNN town hall: “There’s no question I’m in favor of banning fracking.”

Former President Donald Trump and other Republican allies have attacked Harris over her past comments in an effort to exploit a politically fraught topic in Pennsylvania. The Keystone State is one of the largest natural gas producers in the country and a key swing state in the upcoming election.

In a Charlotte, N.C., rally last week, Trump said Harris wants to ban fracking and called her a “radical left lunatic who will destroy our country.”

The Harris campaign responded by touting the Biden-Harris administration’s effort in boosting domestic energy production and creating energy sector jobs. Domestic crude oil production hit all-time records in December, as did natural gas production, according to the U.S. Energy Information Administration.

Last year, Pennsylvania was near record highs in natural gas production. Each year of the Biden-Harris administration, Pennsylvania has produced over 7 million cubic feet of nat-

ural gas, a feat never accomplished under the Trump or Obama administrations.

“Trump’s false claims about fracking bans are an obvious attempt to distract from his own plans to enrich oil and gas executives at the expense of the middle class,” the campaign said.

It’s unlikely this is the last Pennsylvanians will hear about fracking from the two presidential candidates.

David Callahan, president of the Marcellus Shale Coalition, a natural gas trade group, said fracking and the natural gas industry play a powerful role in Pennsylvania’s elections, with bipartisan support from Republicans and Democrats.

“There should be no debate about the essential role of responsible natural gas development and use,” Callahan said.

Pennsylvania produces the second most natural gas of any state, just behind Texas. Pennsylvania produces about 20% of the nation’s natural gas, according to the U.S. Energy Information Administration.

Voters are split about fracking, with slightly more Pennsylvanians supporting natural gas drilling than opposing it, according to the last nonpartisan poll. A Mulhenberg University poll from 2022 said 48% of Pennsylvanians strongly or somewhat support fracking, while 44% strongly or somewhat oppose it.

In statewide races, both Democrats and Republicans typically espouse support for fracking. In local elections, including some in Alle-

Harris Campaign Said She Would Not Ban Fracking, Reversing Past Pledge, TRIB

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gheny County, Democrats who have run on anti-fracking messages have won seats on borough councils. The issue continues to be politically fraught.

Natural gas proponents and critics understand the influence fracking has on the state's politics.

Jeff Nobers, president of pro-fracking group Pittsburgh Works Together, said it is not uncommon for politicians to backtrack on criticisms of fracking, given its place in the state.

He noted President Joe Biden came out forcefully during a Pittsburgh speech in 2020 saying he didn't support a fracking ban. That followed his earlier comments during a primary debate where he said he didn't support new fracking wells, and his campaign later clarified Biden meant no new fracking on federal lands.

U.S. Sen. John Fetterman, D-Braddock, was a strong critic of fracking during his first Senate run in 2016 but has since emerged as a strong ally of the natural gas industry.

Policy reversals in favor of supporting fracking have not hurt politicians, as both Fetterman and Biden won their last elections and carried Pennsylvania.

Nobers said Harris should speak directly about her stances on fracking and the energy industry, not just comment through a campaign spokesperson. He said a forceful statement could help quiet critics and reassure Pennsylvanians who support the fracking industry.

"It would be important to her to make it very clear what her stance is. Not just on fracking but on energy," Nobers said.

Fracking has long attracted critiques from environmentalists, who worry the practice pollutes groundwater and releases methane, a powerful greenhouse gas, into the atmosphere.

But Harris' new stance on fracking might not be hurting her too much with environmentally minded voters.

Mark Dixon, a Pittsburgh activist who supports a fracking ban, said he still plans on voting for Harris and believes her reversal speaks more to Pennsylvania's political climate than to her environmental stances. And Dixon noted that Trump and other Republicans often have denied climate change, so supporting them is out of the question for him.

"I want to see a ban on fracking but would be satisfied with an urgent and well-planned phase-out," he said. "In fact, once the fracking cat got out of the bag in Pennsylvania, I felt that a phase-out was probably the most likely pathway to ending it. Regardless of her specific position on fracking, I know that Harris stands for climate action and democracy."



SSDA-AT Calls on Action for Right to Repair

SSDA-AT has issued a compelling call to action for members of the House Energy and Commerce Committee to support the Right to Equitable and Professional Auto Industry Repair Act (REPAIR Act), HR 906. This critical bipartisan legislation, led by Dr. Neal Dunn (R-FL), aims to preserve consumer access to affordable and high-quality vehicle repair services in an era of rapidly advancing automotive technology.

In an official letter addressed to the committee, SSDA-AT conveyed strong support for the REPAIR Act and urged for its inclusion and passage at the next Energy and Commerce markup. The association commended Dr. Dunn for his proactive approach in addressing concerns raised by the Energy and Commerce Subcommittee on Innovation, Data, and Commerce, particularly in areas related to cybersecurity. By ensuring that vehicle repair data is shared through the existing Original Equipment Manufacturer (OEM) dealer and partner network, the legislation aims to protect critical vehicle systems while maintaining security.

Addressing Key Concerns

Dr. Dunn's amendments to the REPAIR Act demonstrate a comprehensive approach to modern automotive issues. The legislation addresses significant areas including cybersecurity, autonomous vehicles, and the use of consumer data. By making essential changes to how data is shared and managed, the bill ensures that independent repair shops have the necessary access to perform repairs safely and effectively, without compromising vehicle security.

The REPAIR Act has garnered substantial bipartisan support, with over 50 cosponsors evenly split between Republicans and Democrats. This broad backing underscores the widespread recognition of the bill's importance in maintaining consumer rights and fostering a competitive automotive repair market. By guaranteeing that vehicle owners and their chosen repairers have equal access to repair and maintenance tools, components, and data, the act aims to level the playing field between dealerships and independent repair shops.

Consumer Preferences and Market Impact

A recent Consumer Reports survey highlighted a significant consumer preference for independent repair shops over dealerships. The April 2024 survey found that when it comes to automotive service facilities, Consumer Reports members overwhelmingly prefer independent shops and, in some cases, chains over dealerships.



US Shale Companies Produce More Crude Using Fewer Rigs

Greater operating efficiencies in the top U.S. shale patch are squeezing out more oil without higher spending, according to the latest output numbers, which will boost global oil market supplies as OPEC also plans to unwind its output cuts later in the year.

Producers are extending their wells to as much as three miles, squeezing more wells onto a single drilling pad and fracking several wells at once, boosting production, according to industry experts and company executives on recent earnings calls.

Taken together, these efficiency gains have led several big producers to raise their full-year shale oil production targets. Chevron (CVX.N), opens new tab lifted its full-year Permian output target to an about 15% gain, up from an earlier forecast of a 10% gain.

Diamondback (FANG.O), opens new tab, APA Corp (APA.O), opens new tab, Devon Energy (DVN.N), opens new tab and Permian Resources (PR.N), opens new tab, also forecast higher than expected Permian shale production in coming months. Occidental Petroleum (OXY.N), opens new tab raised its outlook for the basin for 2024 by 1,000 barrels per day (bpd) excluding its acquisition of Permian-focused CrownRock.

Devon pointed to a 12% drilling efficiency gain this year from drilling and said it had improved feet per day of well completion by 6% year to date, pushing its full-year oil output up about 3%. Permian Resources has raised its oil production target by 1.5% this year.

"Ultimately, we do see a market that will end up oversupplied in the fourth quarter," said Walt Chancellor, an energy strategist at banking and financial firm Macquarie Group.

Macquarie estimates U.S. production will grow about 500,000 barrels per day (bpd) by the end of this year from the end of last, exceeding U.S. government estimates calling for an about 300,000 bpd increase.

"For OPEC, what this means is, we see them ultimately not able to execute the current plan to bring production back over the course of 12 months," Chancellor said.

NO POST-MERGER SLOW DOWN

Consolidation among U.S. shale producers had been expected to slow production growth this year with companies preoccupied with combining staff and sorting through new properties. But the benefits of being able to extend wells into adjacent areas has boosted productivity.

"Efficiency minded public operators are increasingly drilling longer laterals and squeezing more wells per pad," said Ryan Hill, an analyst at energy data firm Enverus.

Diamondback, which agreed this year to acquire Endeavor Energy Resources, said last week it was modeling that one rig would drill at least 26 wells per year, up from a previous expectation for 24 wells, adding it was drilling wells about 10% faster than at the beginning of the year.



Upcoming WMDA/CAR-SSDA-AT Event

Please plan to attend this year’s Industry & Legislative Forum. Please let Roy IV know if you plan to attend and we can add you to the schedule.

YOU ARE INVITED

INDUSTRY & LEGISLATIVE ISSUES FORUM

Oct. 22, 2024 ★ 10 am -12 pm



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WHY SHOULD YOU ATTEND?

Heads of all major regulatory offices will be on the panel.

WMDA/ CAR	MDA	MDE	MD Comp	MD Lottery	ATCC	DCDOEE	SSDA	MAPDA
	NGCA	MD Dealer	DC Dealer	WMDA/CAR Attorney	TBD	TBD	TBD	

MODERATOR: KIRK MCCAULEY

New Drilling Technology to Put Billions of Barrels of Oil in Reach, Analysts Say, Reuters

An oil production breakthrough that producers say can safely tap ultra-high pressure fields could put up to 5 billion barrels of previously inaccessible crude into production, analysts said.

Chevron disclosed it had pumped first oil from a field at 20,000 pounds per square inch pressures, a third greater than any prior well. Its \$5.7 billion Anchor project employs specially designed equipment from NOV (NOV.N), Dril-Quip (DRQ.N), opens new tab and drillships from Transocean (RIGN.S).

The No. 2 U.S. oil firm began pumping from the first Anchor well on Sunday, with the second already drilled and close to being ready to turn on, said Bruce Niemeyer, head of Americas oil exploration and production.

A 2010 blowout at Gulf of Mexico's Macondo prospect killed 11 workers, fouled fisheries and covered area beaches in oil.

Transocean was the operator of the ill-fated Deepwater Horizon vessel and BP (BP.L), was the owner of the Macondo project. Both are involved in the new, higher pressure well developments.

Today, the industry is employing new drillships and equipment that has been created to cope with the extreme pressures that are a third greater than encountered in the Macondo failure.

"The industry has done their bit to safely deliver the barrels, with the new technology," said Mfon Usoro, a principal analyst who focuses on Gulf of Mexico operations at research firm Wood Mackenzie.

The new gear promises Chevron's Anchor and similar projects by Beacon Offshore Energy and BP will deliver a combined 300,000 barrels of

new oil, and put 2 billion barrels of previously unavailable U.S. oil within producers' reach, she said.

"These ultra-high pressure fields are going to be a big driver for production growth in the Gulf of Mexico," Usoro added.

The Gulf of Mexico has produced below the record 2019 level of 2 million barrels per day, and the additional oil could help return the region to its peak output.

BP has its own high-pressure technology it hopes can tap 10 billion barrels of known oil. Its first 20k project, Kaskida, was discovered in 2006 and put aside because of a lack of high-pressure technology.

Similar high-pressure, high-temperature oil fields that would benefit from the 20k technology are found off the coasts of Brazil, Angola and Nigeria, said Aditya Ravi, a Rystad Energy analyst. The Gulf of Mexico will be the proving ground for the new gear.

Brazil has major offshore developments that "are prime candidates for future 20k technology application due to their complex high pressure, high temperature environments," he said.

Including non-U.S. fields, more than 5 billion barrels of known oil and gas of known resources globally could benefit from the technology, Ravi said. Those volumes equate to about 50 days of current global production.



Kamala Harris Once Trashed Fracking, and Pennsylvania Hasn't Forgotten, BNN



Kamala Harris faces a problem in Washington County, Pennsylvania, where gas drilling rigs and well pads dot the rolling green farmland.

Ask Mickey Molinaro, an asphalt worker with a bushy beard and easy-going smile. Harris, in her last White House run, called for a ban on fracking, before reversing her stance this year. And fracking helped Molinaro survive the Great Recession.

The oil and gas extraction process triggered an economic boom in southwestern Pennsylvania, bringing him steady work paving access roads for energy companies. A former Donald Trump voter, Molinaro, 50, says he's undecided about the upcoming election, put off by the ex-president's personality. But Harris' energy policies push him away.

"Energy is a big deal here," Molinaro said, leaning against his truck, tar coating his jeans.

"Harris supports the Green New Deal and that kind of stuff. She runs on a platform that's anti-fossil fuel."

To win in this highly competitive battleground state, Harris will have to overcome that baggage. No matter that her campaign insists she doesn't want to ban fracking. Harris has not yet spelled out how she would treat the oil and gas industry should she win the presidency, and in the absence of a new approach the old one could be costing her votes.

Picking the state's popular Democratic governor, Josh Shapiro, as her running mate could have helped. He has staked out a middle ground on fracking, requiring companies to disclose the chemicals they use in the process but rejecting calls to ban it. Instead, Harris chose Minnesota Governor Tim Walz, who pushed through a climate law forcing his state to get all its electricity from carbon-free sources by 2040.

"She really needs to explain what her point of view is, what her plan and direction would be," said Jeff Nobers, executive director of the Builders Guild of Western Pennsylvania, many of

whose members work in the energy industry. "My question to her is what has changed that makes you say you don't support a ban on fracking, because fracking hasn't changed."

Analysts consider winning Pennsylvania a necessity for Harris, and it won't be easy. President Joe Biden took the state in 2020 by less than 81,000 votes out of nearly 7 million cast. Trump won it in 2016 by an even slimmer margin — just over 44,000 votes. Trump currently holds less than a 1-point lead in the state, according to an average of several polls calculated by RealClear Polling.

Washington County, just southwest of Pittsburgh, sits atop the Marcellus shale formation, which has turned Pennsylvania into the nation's second-largest producer of natural gas. The county reliably picked Democratic presidential candidates until it flipped in 2008, when it began backing Republicans, giving Trump 61% of the vote in 2020. Much of southwestern Pennsylvania underwent a similar shift, and fracking played a role, said Berwood A. Yost, director of the Center for Opinion Research at Franklin & Marshall College.

"The anti-fracking position Democrats were taking ran counter to some of the best economic news in those counties in a long time," Yost said.

During her short-lived 2019 presidential campaign, Harris called for a fracking ban and pitched a \$10 trillion climate plan that sought 100% carbon-neutral electricity by 2030. Her proposal would have put a price on carbon emissions and halted new fossil-fuel leases on public lands while phasing out existing ones. Trump now attacks those positions in campaign rallies and ads.

"Remember, Pennsylvania, I said it: she wants no fracking. She's on tape," Trump said at a campaign rally in Minnesota late last month. "The beautiful thing about modern technology is when you say something, you're screwed if it's bad."

Oil and Gas Supporters Concerned by Harris' VP Pick: An In-Depth Look

The selection of Minnesota Governor Tim Walz as Vice President Kamala Harris's running mate has sent ripples of concern throughout the oil and gas industry, particularly among influential figures and supporters in key energy-producing states like Texas. With the 2024 presidential election looming, this political pairing has sparked a debate about the future of America's energy policies, raising fears among industry leaders and conservative politicians that a Harris-Walz administration could lead to significant changes that might adversely impact the oil and natural gas sectors.

The Backdrop of Energy Policy and Political Tensions

Energy policy has always been a contentious issue in U.S. politics, especially in recent years as the country grapples with the need to balance economic

growth, energy independence, and environmental sustainability. The oil and gas industry, a cornerstone of the American economy, particularly in states like Texas, has traditionally enjoyed strong support from Republican lawmakers who argue for fewer regulations, greater access to federal lands for drilling, and the expansion of energy infrastructure, including pipelines and LNG (liquefied natural gas) export facilities.

However, the rise of climate change as a global concern has pushed energy policy to the forefront of political discourse, leading to stark divisions between the two major parties. Democrats, including Vice President Harris, have generally advocated for a transition towards cleaner energy sources, increased regulation of fossil fuels, and a reduction in greenhouse gas emissions. This stance

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has been met with resistance from Republicans and the fossil fuel industry, who argue that such policies could undermine American energy security, lead to job losses, and increase energy costs for consumers.

The Selection of Tim Walz: A Controversial Choice

Governor Tim Walz's selection as Harris's vice-presidential candidate has added a new layer of complexity to the ongoing energy policy debate. Walz, who has served as governor of Minnesota since 2019, has a track record that includes both support for renewable energy initiatives and a pragmatic approach to fossil fuels. His tenure as governor has seen the expansion of wind and solar energy in Minnesota, as well as efforts to reduce the state's carbon footprint. However, Walz has also faced criticism from environ-

mental activists for his administration's handling of controversial pipeline projects, such as the Line 3 replacement, which has been a point of contention between the oil industry and environmental groups.

For supporters of the oil and gas industry, Walz's mixed record on energy issues is a source of concern. Texas Governor Greg Abbott, a staunch advocate of the oil and natural gas sectors, has expressed alarm over the potential implications of a Harris-Walz administration. Abbott, who has consistently fought against federal regulations that he views as harmful to Texas's energy industry, fears that the Harris-Walz ticket could prioritize environmental regulations over the economic interests of oil-producing states.



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