

LOBBY WATCH



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‘Forced Pooling’:

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Might Trumps Property Rights In Lucrative Energy Industry

GOP-Backing Hilcorp Seeks to Frack Land Without Owner Permission

Four Pennsylvania landowners fear that their properties will be forcibly fracked against their will by a Houston billionaire. That [billionaire](#), Hilcorp CEO Jeff Hildebrand, oddly bankrolls a Texas political party that exalts the sanctity of private property rights.

After signing drill leases for most of a 3,267-acre tract of oil-rich shale in the town of New Bedford, Hilcorp is invoking Pennsylvania’s 50-year-old “forced pooling” law against four holdouts who own just four acres.

As Hilcorp negotiated leases, CEO Jeff Hildebrand spent more than \$850,000 on state elections back home. Most of this money benefitted the property-conscious Republican Party of Texas, led by a GOP governor who [made](#) Hildebrand a University of Texas regent last year. “We reaffirm our belief in the constitutional concept of the right to own property without governmental interference, and that property ownership and free market enterprise forms the foundation of our collective wealth,” that party wrote into its [2012 platform](#). “**NO** government entity should abridge or deny these rights.”

New Bedford’s Suzanne Matteo expressed this idea more succinctly, telling the [Associated Press](#) that, “It’s un-American” for Hilcorp to frack her land without her permission. Lease-signing neighbor Bruce Clingan countered, “I don’t understand how people that own 4 acres of ground can hold up such a big thing.”¹

Jeff Hildebrand’s Texas Contributions Since 2009

Amount	Recipient
\$365,477	Rick Perry (R)
\$158,761	Greg Abbott (R)
\$150,000	Barry Smitherman (R)
\$102,500	David Dewhurst (R)
\$25,000	Christi L. Craddick (R)
\$15,000	George P. Bush (R)
\$10,000	Glenn A. Hegar, Jr. (R)
\$10,000	Kay Bailey Hutchison (R)
\$10,000	TX Oil & Gas PAC (R)
\$5,000	Associated Republicans of TX
\$2,500	Patricia Grady (R)
\$2,500	TX Repub. Rep. Camp. Com.
\$1,500	James L. Keffer (R)
\$1,000	Jose Menendez (D)
\$1,000	Wesley R. Ward (R)
\$1,000	Carol Alvarado (D)
\$1,000	Eva Guzman (R)
\$500	Elizabeth Ames Jones (R)
\$100	TX Energy Associations PAC
\$862,838	TOTAL

The Republican Party continues to wrestle with the contradictory views expressed by Matteo and Clingan. If private property is a sacrosanct right writ on the mountaintop then it inconveniently protects regular people, even when they stand in the paths of billionaires.

Pennsylvania Republican Governor Tom Corbett has said he opposes the “forced-pooling” law that Hilcorp and Hildebrand are using against New Bedford’s four holdouts. Feeling considerable political heat, the Corbett administration’s Department of Environmental Protection recently postponed hearings on this controversy until May.

Meanwhile, the all-Republican Texas Supreme Court recently declined to review a case that another energy corporation won against a Texas landowner. The court’s inaction preserves a ruling that allows TransCanada Corp. to use eminent domain to extend its tar-oil pipeline right through the property of a resistant Texas landowner.²



Hilcorp CEO Jeff Hildebrand

Jeff Hildebrand previously worked for Exxon, which has become a fracking giant. Exxon chair and CEO Rex Tillerson recently joined neighbors in opposing construction of a new water tower in the Metroplex-area town of Bartonville. Most opponents feared that the water supply would enable fracking noise and traffic in the area. Tillerson’s attorney said Exxon’s chief worries that his property’s value will be undermined by the water tower itself—not any associated fracking of the neighborhood!³

Billionaires. They really are different. ·

Notes

¹ [“Neighbors Bicker in PA. Over Forced Gas Drilling,”](#) Associated Press, March 30, 2014.

² “Texas High Court Rejects Farmer’s Case,” *Dallas Morning News*, March 25, 2014.

³ “Exxon Chief Joins Lawsuit Raising Ruckus Over Fracking,” *Wall Street Journal*, February 21, 2014.