Oily Thumbs On the Scales:

Three Oil-Baron Billionaires Pumped \$12 Million Into the Tanks of 19 Paxton-Impeachment Officials

hree billionaire oil tycoons exert extraordinary influence on the impeachment trial of suspended Texas Attorney General Ken Paxton. Directly—or through the two political committees in which they own majority stakes—Tim Dunn and the brothers Farris and Dan Wilks contributed \$7.9 million to the 19 state officials most involved in Paxton's impeachment trial.

The two Dunn-Wilks PACs—Empower Texans and Defend Texas Liberty—meanwhile backstopped more than \$4 million in political loans to leading impeachment players. Between contributions and loans, both defendant Paxton and his impeachment judge, Lieutenant Governor Dan Patrick, have taken more than \$5 million apiece in campaign financial aid from the Dunn-Wilks machine.

Defend Texas Liberty PAC recently reminded officials weighing Paxton's impeachment that it will spend freely to try to rub out his opponents. "Anyone that votes against Ken Paxton in this impeachment is risking their entire political career and we will make sure that is the case," PAC front man Jonathan Stickland <u>said</u> two weeks before the trial.

Paxton collected \$3.3 million in contributions from the tycoon trio and their PACs since 2006 (including Farris Wilks's \$250,000 contribution in July). This favorite son consumed 42 percent of the Dunn-Wilks contributions tracked here. The Dunn-Wilks PACs separately are responsible for \$1.75 million in Paxton campaign loans. On the eve of the 2014 GOP primary runoff that cleared then-Sen. Ken Paxton's path to be attorney general, Empower Texans PAC guaranteed a \$1 million loan to his campaign. Defend Texas Liberty PAC loaned that campaign another \$750,000 on the eve of Paxton's 2022 reelection.¹

This account likely lowballs Paxton's reliance on Dunn-Wilks. Paxton has yet to disclose who is paying all the lawyers handling his <u>Trumpian</u> array of legal challenges. Besides impeachment, Paxton has <u>faced</u> related <u>FBI</u> and U.S. <u>Justice Department</u> investigations, a whistleblower lawsuit <u>filed</u> by his own former lieutenants, and separate criminal charges alleging that he <u>committed</u> securities-law violations.

Defend Texas Liberty PAC contributed \$2.8 million to Lieutenant Governor Dan Patrick, including a \$1 million contribution to Patrick this June—after the House submitted articles of impeachment to the Senate. Defend Texas Liberty also made a \$2 million, interest-free loan to Patrick's campaign in June. That came on top of Empower Texans' \$300,000 loan guarantee to Patrick's campaign in May 2014.

Paxton and Patrick will be better positioned to repay their loans if they maintain power, thereby continuing to attract campaign funds to repay their debts. Some political debts are forgiven. In the 2018 general election, for example, Dan Patrick's campaign contributed \$125,000 to Paxton's campaign and loaned it another \$125,000. Patrick later said that he <u>forgave</u> that Paxton loan--as Defend Texas Liberty could do with the Patrick and Paxton loans. Political loans are more likely to be forgiven when indebted politicians stay in the good graces of their lenders.

Paxton got where he is today by not learning from his lapses, continuing to make one ethically dubious move after another—appearances be damned. Lieutenant Governor Patrick flirted with this playbook by

accepting a whopper loan from Defend Texas Liberty just before presiding over an impeachment trial in which that lender has huge stakes. Granting Defend Texas Liberty so much leverage over him seems unnecessarily <u>reckless</u> given that Patrick's campaign reported having \$22.2 million in the bank in July.

The oil baron trio also gave a total of another \$1.8 million to 17 of the 31 state senators controlling Paxton's fate. Those 17 Republican senators collected amounts ranging from 100 bucks up to the \$1.1 million collected by Sen. Bob Hall, R-Edgewood.

The defendant's spouse, Sen. Angela Paxton, R-McKinney, took \$105,000 oil-baron from the trifecta. Complicating her role is the fact that some of the pending impeachmentcorruption charges involve husband's alleged former mistress. Under rules adopted by the Senate, Sen. Paxton will sit in on the impeachment proceedings but is excluded from the final impeachment deliberations and vote. This is as good as a no-impeachment vote since excluding her altogether would have lowered the two-thirds majority needed to convict her husband from 21 to 20 senators (the Senate has 12 Democratic votes).

Oil-Tycoon Impeachment Contributions
From Dunn, the Wilks Bros. & their Majority-Owned PACs,
2006 To July 2023

Impeachment Official	Office	Amount
A.G. Ken Paxton	AG	\$3,315,570
L.G. Dan Patrick	LG	\$2,778,849
Sen. Bob Hall	S-2	\$1,100,242
Sen. Kevin Sparks	S-31	\$260,000
Sen. Angela Paxton	S-8	\$105,000
Sen. Charles Perry	S-28	\$79,043
Sen. Bryan Hughes	S-1	\$78,214
Sen. Pete Flores	S-24	\$50,000
Sen. Phil King	S-10	\$28,065
Sen. Brian Birdwell	S-22	\$25,234
Sen. Paul Bettencourt	S-7	\$22,500
Sen. Kelly Hancock	S-9	\$21,157
Sen. Mayes Middleton	S-11	\$7,000
Sen. Donna Campbell	S-25	\$7,000
Sen. Brandon Creighton	S-4	\$7,000
Sen. Lois Kolkhorst	S-18	\$5,000
Sen. Drew Springer	S-30	\$4,380
Sen. Charles Schwertner	S-5	\$238
Sen. Tan Parker	S-12	\$100
	TOTAL	\$7,894,592

Sources: Texas Ethics Commission, Texans for Public Justice.

Sen. Paxton <u>reportedly</u> is on the list of impeachment witnesses for the defense, as is Mineola Sen. Bryan Hughes. Prosecutors claim that Hughes made a shill "<u>straw request</u>" for an unusual legal opinion that Attorney General Paxton fast tracked to assist his impeachment co-star: troubled Austin developer Nate Paul. Paul contributed \$25,000 to Paxton and \$10,000 to Dan Patrick in the midst of legal troubles in 2018 (Patrick later <u>regifted</u> Paul's contribution to charity).

Impeachment scorekeepers may want to keep an eye on the 14 senators who collected \$5,000 or more in Dunn-Wilks funds. One of them, Sen. Donna Campbell, R-New Braunfels, personally loaned Paxton's campaign \$50,000 for his crucial 2014 primary runoff.² Also worth watching is the behavior of the two GOP senators who didn't take a Dunn-Wilks dime: Sens. Joan Huffman and Robert Nichols.

Midland's Tim Dunn founded and heads <u>Crownquest Operating</u>, one of the biggest privately held oil companies in the Permian play. During the early 2000s, this Christian conservative managed to avoid the spotlight while quietly directing a who's who of ultra-conservative Texas think tanks.

In late 2007 a Texas House coalition of Democrats and moderate Republicans <u>smoked Dunn out</u> as a would-be kingmaker. They successfully organized to oust then-House Speaker Tom Craddick, Dunn's

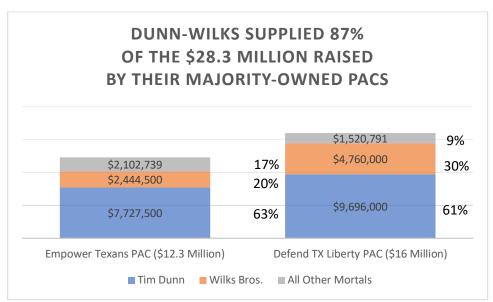
conservative Midland homeboy who is the <u>patron saint</u> of the Texas oil industry (Craddick's daughter is one of three state oil regulators on the misnamed Texas Railroad Commission). Twisting the knife, the moderate Republican whom the House infidels picked to replace Speaker Craddick is an <u>urbane urban</u> Jew.

In a failed effort to combat this scourge in 2007, Dunn bankrolled a startup: Empower Texans PAC (AKA Texans for Fiscal Responsibility). Empower openly put a price on the heads of relatively moderate Republicans. Fellow Christian conservatives Farris and Dan Wilks of Cisco began helping Dunn underwrite Empower in 2015—four years after they <u>sold</u> Frac Tech Holdings for \$3.5 billion.

In 2019 Empower frontman Michael Q. Sullivan shredded Republican House Speaker Dennis Bonnen's shot at another term. Sullivan orchestrated this coup by disclosing a <u>secret recording</u> of Bonnen's offer to restore the legislative press credentials of Empower employees in exchange for an Empower pledge to try to evict 10 Texas House members.

With such powerful allies as Lieutenant Governor Dan Patrick <u>fuming</u> that Bonnengate went too far, Empower Texans PAC shuttered in 2020. Yet Empower's last financial disclosure filing occurred one month *after* the birth of a successor Dunn-Wilks warchest. Like its predecessor, Defend Texas Liberty PAC hunts endangered Texas RINOs (moderate Republicans In Name Only).

Setting aside what they spent on conservative think tanks, Dunn and the Wilks brothers collectively contributed a stunning \$42 million to ultra-conservative state candidates and political committees since 2006. The tycoon trio moved three-fifths of this fortune (\$24.6 million) through their majority-owned Empower Texans and Defend Texas Liberty PACs. Other mortals supplied just 13 cents of every dollar that these two PACs collectively raised.



Sources: Texas Ethics Commission, Texans for Public Justice.

Defend Texas Liberty PAC also recently helped Kyle Rittenhouse—famously acquitted of killing two Black Lives Matter activists—form the Texas-based Rittenhouse Foundation to agitate for ultra-conservative causes.

Notes

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¹ Empower guaranteed an \$1 million bank loan made on May, 15, 2014—12 days before the runoff on May 27. Defend Texas Liberty PAC made its \$750,000 uncollateralized loan on October 27, 2022—12 days before Election Day on November 8.

² Sen. Campbell personally loaned Paxton's campaign \$50,000 on May 13, 2014, a couple weeks before the runoff on May 27.