

Summary: No Evidence Oil and Gas Company Used Bankruptcy to Avoid BLM's Enforcement Actions and Penalties

Report Date: March 15, 2017

OIG investigated allegations from the Bureau of Land Management (BLM) that an oil and gas company operating Federal mineral leases in Wyoming may have attempted to use the bankruptcy process to disguise a transfer of assets and employees to a new, but affiliated business entity to avoid BLM's enforcement actions.

We found no evidence that the company used the bankruptcy process to avoid enforcement actions and penalties. None of the employees or assets were transferred to an entity owned or operated by the company. An attorney with the DOJ regional U.S. Trustee Program confirmed that an independent third-party company entered into an asset purchase agreement for the leases.

This is a summary of a report of investigation that was issued to BLM.

