

Summary: Oil and Gas Company Settles Federal Mineral Trespass for \$462,000

Report Date: December 07, 2021

Report Number: 19-0375

The OIG investigated allegations received from the Bureau of Land Management (BLM) that Extraction Oil & Gas, Inc., drilled and operated oil and gas wells where it removed Federal minerals without obtaining an approved lease or drilling permit.

We substantiated the allegations and found that Extraction produced minerals, in Weld County, CO, without first obtaining a Federal mineral lease from the BLM. We found Extraction operated three wells that trespassed into unleased Federal minerals and began producing Federal minerals without permission. The U.S. Attorney's Office for the District of Colorado entered into a settlement agreement for \$462,032.05 to resolve Extraction's violations and recover lost Federal revenues resulting from its actions.

This is a summary of an investigative report we issued to the Directors of the BLM and the Office of Natural Resources Revenue.

