

## **The Bureau Of Land Management Gave A Bailout To A Bankrupt Company That Owes Millions In Taxes To Two Different Wyoming Counties**

### **US Realm Powder River Had Its Royalty Rate Drop To Nearly Zero On 8,000 Acres Of Public Lands Leases, Despite Delinquency And Bankruptcy**

#### **US Realm Powder River Got Its Royalty Rate Slashed To 0.5% On Sixteen Leases Covering 7,976 Acres Of Public Land In Wyoming**

US Realm Powder River Is The Sole Or Majority Lessee On 16 Bureau Of Land Management Leases That Were Given A Reduced Royalty Rate To 0.5%.

- US Realm Got A Reduced Royalty Rate On Lease Number WYW 021220. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 0266650. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 021221. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 033801. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 040634. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 072471. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 085359. [BLM, accessed [08/27/20](#)]
- US Realm Got A Reduced Royalty Rate On Lease Number WYW 085360. [BLM, accessed [08/27/20](#)]

- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 085361.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 0266641.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 0266642.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 0266643.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 0266651.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 041473.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 0266653.** [BLM, accessed [08/27/20](#)]
- **US Realm Got A Reduced Royalty Rate On Lease Number WYW 039581.** [BLM, accessed [08/27/20](#)]

### **On US Realm Powder River, LLC, Went Bankrupt, Dodging Millions In Taxes Owed To Two Wyoming Counties**

**US Realm Powder River Went Bankrupt In October 2019. It Owed \$11.15 Million In Unpaid Ad Valorem Mineral Taxes To Johnson County, Wyoming.** “It was the worst possible answer to Johnson County’s \$11 million question. New bankruptcy filings revealed that Moriah Powder River LLC, which initiated its Chapter 11 case on Oct. 31, owes the county \$11.15 million in unpaid ad valorem mineral taxes – a debt listed in county records as belonging to Moriah’s operator, Carbon Creek Energy. A bankrupt debtor means it is less likely than ever that the county will collect all of the money it is owed.” [*Gillette News Record*, [12/05/19](#)]

- **By February 2020, US Realm Powder River Owed Johnson County More Than \$15 Million In Unpaid Mineral Production Taxes.** “Although Wages said that there had been no discussion of a pending bankruptcy, Carbon Creek and Powder River Midstream’s sister company U.S. Realm Powder River, formerly known as Moriah

Powder River, filed for bankruptcy in October, owing the county more than \$15 million in unpaid mineral production taxes. Those taxes and any associated liens will be unaffected by this week's agreement." [*Casper Star Tribune*, [02/20/20](#)]

**US Realm Powder River Also Dodged Millions In Taxes Owed To Campbell County, Wyoming, Despite Having \$130 Million In Profits There.** "Carbon Creek Energy and Powder River Midstream were subsidiaries of Moriah Powder River LLC, which filed for bankruptcy last fall. Carbon Creek Energy and Powder River Midstream now operate under U.S. Realm Powder River. The companies paid the county about \$1.4 million in taxes for 2016, but did not pay anything from 2017-19 under the Moriah umbrella. The \$1.4 million accrued interest in an escrow account since 2016 to bring the figure up to \$1.85 million. The company owed \$3.5 million in taxes overall since 2016, but its deal with the county is only for the \$1.85 million. As a result, the county will not get \$1.65 million in taxes it was owed. The company has made about \$130 million doing business in Campbell County." [*Casper Star Tribune*, [07/05/20](#)]

- **US Realm Powder River's Subsidiaries Agreed To A \$1.8 Million Property Tax Settlement With Campbell County, Despite Owing Approximately \$8.5 In Unpaid Taxes.** "The two energy companies owed approximately \$8.5 million in unpaid property taxes dating back to 2016. The dispute has drug on for the past four years with the approved settlement agreement finally bringing the matter to the close with the commissioners agreeing to accept only \$1.8 million of the total due. A similar situation occurred in February, when Johnson County settled with the same energy companies over unpaid taxes. The proposed settlement does not apply to any unpaid production taxes. It solely pertains to the real and personal property taxes that the entities owe Campbell County, which in this case were assessed on CCE and PRM land and equipment, including compressor stations, pipelines, and other infrastructure related to methane gas production and transportation." [County 17, [06/30/20](#)]

**County Commissioners Said The Company's Behavior Was "Disturbing" And "Intentional."** "Though the commissioners approved the settlement agreement, none were seemingly happy with the outcome. 'It is quite disturbing to me that we've got a company that is out there making \$138 million in Campbell County that paid one year's worth of taxes, then come back and appeal and owe twice as many taxes, but yet, we don't have a mechanism to recover those taxes when they're making a lot of money off of Campbell County,' Chairman DG Reardon said. Several other commissioners voiced their disdain. 'I would say in my opinion that this was intentional, but that's the system they play. Unfortunately, this is a statute change that has to happen at some point,' Rusty Bell said." [County 17, [06/30/20](#)]