

Texas Energy Giant Takes Aim At Sportsman's Paradise

In an effort to help bail itself out of a \$22 billion scandal-induced debt, a Texas energy company has set its sights on developing northeastern New Mexico's "sportsman's paradise" – the elk- and trout-filled public lands of the Valle Vidal.

The Houston-based El Paso Corporation is pushing gas development plans for the Valle Vidal that would decimate wintering range and spring calving grounds for 2,500 elk, as well as endanger a rare public fishery for the native Rio Grande Cutthroat Trout.

"The Valle Vidal is a treasure for the people of this state," said Oscar Simpson, president of NMWF, "and it's a crime to suggest that we should destroy that treasure for the short-term profit of a desperate energy company."

The El Paso Corporation is infamous for a case of substandard maintenance that led to a gas pipeline explosion killing an extended family of 12 people who were camping on the banks of the Pecos River near Carlsbad in August of 2000.

And following the California energy crisis, the company was charged with withholding gas supplies to artificially boost gas prices. After the charges were made public, the company plunged \$22 billion into debt as its stock prices crashed.

In November El Paso Corporation settled out of court, agreeing to pay \$1.6 billion to California rather than fight the charges. And continuing the company's track record, in mid-December a former trader for El Paso Corporation pled guilty to reporting fake energy trades to manipulate prices, and he now faces up to five years in prison and a \$500,000 fine.

El Paso Corporation Puts Pressure on New Mexico

Wounded by debt and wrongdoing, El Paso Corporation is all the more dangerous to New Mexico, according to Simpson.

On December 15, the company released a long-range plan aimed at convincing skeptical investors that the company could climb out of debt. Wall Street analysts remain doubtful of the plan's promises to expand gas developments into new areas – and after viewing the plan, lowered El Paso Company's already junk corporate credit rating by another notch. However, with investor confidence at stake, the company is desperate to increase its gas production.

"As a result, we've got a multi-billion dollar company with its sights set squarely on the Valle Vidal," said Simpson, "and it is a company with real power and connections."

El Paso Corporation petitioned the Bush Administration to allow development of the Valle Vidal. And during the Bush-Cheney election campaign cycle alone, El Paso Corporation contributed roughly \$1.5 million to Republican candidates and causes.

And just this summer, a former Halliburton Company executive was named the new chief executive of El Paso Corporation. Halliburton Company is also Vice President Dick Cheney's former employer.

“This is going to be the biggest fight that New Mexico sportsmen and outdoors-loving families will ever have,” said Simpson. “This is no time to be passive – write to Senator Domenici, to Governor Richardson, to your local newspaper – and tell your friends and family. You’ve got to stand up and make your voice heard or we will lose Valle Vidal.”