

# Congress of the United States

Washington, DC 20515

October 30, 2024

Ms. Vicki Hollub  
President and Chief Executive Officer  
Occidental Petroleum Corporation  
5 Greenway Plaza  
Houston, TX 77046

Dear Ms. Hollub:

We write to renew our May 21, 2024, and June 26, 2024, requests for documents relating to communications between Occidental Petroleum Corporation and officials from the Organization of the Petroleum Exporting Countries (OPEC), OPEC+ member nations, competing U.S. oil and gas producers, and other related entities regarding oil and gas production, prices of crude oil and natural gas, and related matters. Despite some superficial engagement with our respective staffs, Occidental has neither provided the requested documents nor confirmed that it has undertaken reasonable due diligence to identify and rule out the existence of responsive materials.

Occidental transmitted a letter to Chairman Whitehouse on July 19 simply stating that “the issues raised in your letter are also matters of active litigation” against Occidental and that, while Occidental “believes that the litigation cited in your letter—along with the other similar cases that have been filed—lack merit,” the company is “not in a position to share information related to active litigation and it would be inappropriate to do so at this time.” Occidental’s position did not change despite further engagement by Senate Budget Committee staff, including discussion of the fact that the Supreme Court has held that ongoing legal proceedings do not preempt a congressional inquiry or obviate a company’s need to respond to congressional inquiries.<sup>1</sup>

On September 5, more than three months after receiving Ranking Member Pallone’s May 21, 2024, letter, Occidental transmitted a response that likewise stated that it would not respond to the Ranking Member because it faces multiple lawsuits regarding the same anti-competitive behavior described in the Ranking Member’s letter.

Occidental did not deny possessing communications with officials from OPEC or OPEC+ member nations, nor did Occidental deny possessing communications with its U.S. competitors in any of its responses to either of us.

Occidental’s position also stands in contrast to the responses of many of its peer companies that received Chairman Whitehouse’s June 26, 2024, letter. Indeed, over half of the companies that received Chairman Whitehouse’s June letter have confirmed that they have undertaken reasonable due diligence to identify responsive materials or rule out their existence.

Occidental’s continuing failure to substantively respond to our requests is particularly concerning in light of recent reporting that the Federal Trade Commission (FTC) is increasing its

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<sup>1</sup> E.g. *McGrain v. Daugherty*, 273 U.S. 135 (1927).

focus on communications between fossil fuel executives and OPEC in the context of pre-merger reviews. Multiple recipients of our letters, including Occidental Petroleum and Diamondback Energy, are subject to the FTC’s investigations.<sup>2</sup>

Those reports follow the FTC’s Decision and Order barring Pioneer CEO Scott Sheffield from sitting on Exxon’s Board of Directors or serving in an advisory capacity at Exxon after the FTC discovered evidence that Mr. Sheffield had discussed anticompetitive business practices with OPEC officials—findings that prompted this investigation.<sup>3</sup> In its May 2 action approving Exxon’s \$64.5 billion acquisition of Pioneer, the FTC described Sheffield’s “public statements and private communications,” including “hundreds of text messages” demonstrating that he “attempted to collude with the representatives of the Organization of Petroleum Exporting Countries (OPEC) and a related cartel of other oil-producing countries known as OPEC+ to reduce output of oil and gas . . . to inflate profits for his company.”<sup>4</sup>

Compounding our concerns are additional revelations from the FTC that Mr. Sheffield was not the only American oil and gas executive allegedly engaging in anticompetitive behavior. Last month, the FTC entered into a Decision and Order prohibiting Hess Corporation CEO John Hess from sitting on the board of Chevron Corporation as a condition of allowing Chevron to acquire Hess after the FTC discovered that Mr. Hess had engaged in extensive communications and interactions with multiple OPEC Secretaries General and an official who held senior positions in the Saudi Arabian government and its state-owned oil company.<sup>5</sup>

Given that multiple American oil and gas executives have been implicated by the FTC’s discoveries, it is more important than ever that Congress and the American people learn if additional U.S. oil companies are colluding with each other and foreign cartels to manipulate global oil markets and harm American consumers who then pay more at the pump.

Considering the effect that anticompetitive behavior in the oil and gas sector can have on the U.S. economy and on the federal budget, the substantive responses of many of your peer companies, and continued public reporting about the oil and gas industry’s suspected coordination with OPEC and OPEC+, your lack of any substantive responses to our recent letters is very troubling. Accordingly, we request that you provide updated, substantive responses to our inquiries by no later than November 13, 2024.

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<sup>2</sup> Mitchell Ferman, Leah Nylen, and Jennifer Dlouhy, “FTC Eyes Oil Bosses’ Texts for Signs of Collusion With OPEC.” *Bloomberg* (July 19, 2024) (online at <https://www.bloomberg.com/news/articles/2024-07-19/ftc-eyes-oil-executives-texts-for-signs-of-collusion-with-opec>).

<sup>3</sup> Decision and Order, In the Matter of Exxon Mobil Corporation, Docket No. C-\_\_\_\_\_ (May 2, 2024) (online at [https://www.ftc.gov/system/files/ftc\\_gov/pdf/2410004exxonpioneerorderredacted.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/2410004exxonpioneerorderredacted.pdf)); Federal Trade Commission, Press Release: FTC Order Bans Former Pioneer CEO from Exxon Board Seat in Exxon-Pioneer Deal (May 2, 2024) (online at <https://www.ftc.gov/news-events/news/press-releases/2024/05/ftc-order-bans-former-pioneer-ceoexxon-board-seat-exxon-pioneer-deal>).

<sup>4</sup> *Id.*

<sup>5</sup> Decision and Order, In the Matter of Chevron Corporation and Hess Corporation, Docket No. C-\_\_\_\_\_ (September 30, 2024) (online at [https://www.ftc.gov/system/files/ftc\\_gov/pdf/Chevron-Hess-DecisionandOrder.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/Chevron-Hess-DecisionandOrder.pdf)); Agreement Containing Consent Order, In the Matter of Chevron Corporation and Hess Corporation, File No. 241-0008 (September 30, 2024) (online at [https://www.ftc.gov/system/files/ftc\\_gov/pdf/Chevron-Hess-AgreementContainingConsentOrder.pdf](https://www.ftc.gov/system/files/ftc_gov/pdf/Chevron-Hess-AgreementContainingConsentOrder.pdf)).

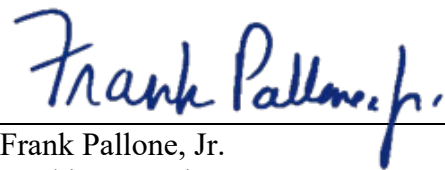
If you have any questions regarding this request, please contact the Senate Committee on the Budget Majority Staff at (202) 224-0642 and House Committee on Energy and Commerce Democratic Staff at (202) 225-2927.

Sincerely,



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Sheldon Whitehouse  
Chairman  
Senate Committee on the Budget



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Frank Pallone, Jr.  
Ranking Member  
House Committee on Energy and Commerce

cc: The Honorable Charles E. Grassley  
Ranking Member  
Senate Committee on the Budget

The Honorable Cathy McMorris Rodgers  
Chair  
House Committee on Energy and Commerce