



H&L EXPLORATION COMPANY, LLC

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OFFICE OF THE SECRETARY

Gary Gensler, Chairman  
Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549

RE: The Enhancement and Standardization of Climate-Related Disclosures for Investors  
File No. S7-10-22

Dear Chairman Gensler:

The Securities and Exchange Commission (SEC) describes its disclosure rule as necessary to address investors' demands for transparency about climate change risks. However, the SEC lacks the authority to promulgate this rule, which would elevate climate change over material financial considerations and distort the SEC's mission of protecting ordinary investors and promoting efficiency, competition, and capital formation in the marketplace.

I am an independent oil and gas producer and have responsibly drilled and operated wells for the past 45 years. This rule is ill-timed, as it is designed to deny financing to oil and natural gas companies like mine, just at a time when more production is needed to bring down record high energy prices.

By contributing to the regulatory burden, it would depress American production and further increase inflationary pressures on energy that ripple throughout the entire economy. We are working to increase production but are struggling to obtain financing because of activism from the very organizations and minority investors that are promoting this rule.

The SEC is encouraging oil and natural gas companies to voluntarily reduce production, revenue, and returns to investors in order to meet *voluntary* greenhouse gas (GHG) reduction goals. Clearly SEC has gone far afield from its mission of capital formation to assuming an air quality role.

The SEC has neither the authority to regulate a reduction of GHGs nor to assign carbon limitations to companies. *Without Congress passing climate change legislation that codifies such policies, the SEC cannot be used as a substitute to do so.*

Further, the SEC is proposing GHG reporting that goes even further than what is required under Clean Air Act (CAA) regulation. The SEC lacks the technical expertise of the Environmental Protection Agency (EPA) yet is requiring vastly more emissions data than even the agency granted authority by Congress.

Financial markets have already been distorted by activist pressure and Americans are paying high energy prices as a result of underinvestment in the oil and natural gas industry. The SEC should not contribute further to this destabilizing situation, but rather should withdraw this rule. Thank you for the opportunity to comment.

Yours truly,

Gib Brown

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