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Houston oil company makes two \$1 million gifts to save popular West Texas swimming hole

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Doug Witkowski, from Dripping Springs, prepares to dive into the crystal clear waters of the worlds largest spring-fed swimming pool at Balmorhea State Park Friday, Sept. 16, 2016 four miles west of Balmorhea in Toyahvale, TX. Houston-based oil company Apache Corporation has donated \$2 million to help repair and maintain the popular West

Photo: Michael Ciaglo, Staff / Houston Chronicle

Apache Corp., the Houston company developing oil and gas fields near Balmorhea State Park in West Texas, on Thursday handed over \$2 million to help repair and maintain the famous spring-fed swimming pool and create an endowment to support the park.

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Apache Corp. CEO John Christmann made the gifts during at meeting of the Texas Parks and Wildlife Department in Austin. The pool, where visitors swim and scuba dive in crystal-clear water alongside turtles and large schools of fish, has been closed for repairs since May.

"Balmorhea State Park is a natural treasure and an icon of West Texas, and it's also a critical part of the local economy," Christmann said. "But most importantly, it's a special place to the residents of the entire West Texas region, many of whom are Apache employees and partners. It wasn't a matter of if but a matter of how we would help."

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Built by the Civilian Conservation Corps in the 1930s, the state park offers camping and other recreation opportunities in addition to the world's largest spring-fed swimming pool. The West Texas oasis drew more than 153,000 visitors between Sept. 2016 and Aug. 2017, according to agency figures.

The popular swimming hole was closed in May 2018 after park staff performing an annual cleaning noticed damage to the concrete apron under the diving board. The concrete apron is used to stabilize the walls of the pool against erosion. Park officials drained and closed the pool while the Texas Parks & Wildlife Foundation, a nonprofit organization supporting the agency foundation launched a \$2 million fundraising campaign to help pay for repairs.

The repairs started in September and are expected to be completed in April.

Apache, the <u>fifth most active oil driller in Texas during 2018</u>, pledged to match all donations for the pool's repair up to \$1 million. The foundation reached its \$1 million goal on Jan. 17 after receiving 575 donations across the state.

"That means a total of \$2 million will go toward repairing the pool, ensuring that much needed resources are not diverted from other parks statewide," Christmann said.

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Apache intensified its activity in the area after announcing the discovery of the Alpine High oil and gas field in Sept. 2016. Last year, company filed for 305 drilling permits with the Railroad Commission of Texas, the state agency that regulates the oil and natural gas industry. Of those drilling permits, nearly four dozen were to develop horizontal oil wells involving hydraulic fracturing techniques in an area north of Interstate 10 from Balmorhea.

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The Houston oil company has drilled a couple of exploratory wells a few miles east of town and nearby Balmorhea Lake, but Apache spokeswoman Fay Fitzsimons confirmed that they were just for testing purposes and later shut-in. The company, she said, set up an "exclusion zone" around the state park and city two years ago where the company has said it will not drill.

Apache posted a \$1.3 billion profit on \$5.9 billion of revenue in 2017. During the third quarter of 2018, the company made an \$81 million profit on \$1.9 billion of revenue.

Reeves County Pct. 3 Commissioner Paul Hinojos, who represents Balmorhea, said there was a lot of concern about pollution and traffic when Apache began to drill the Alpine High in 2016. Since that time, the company has donated money to repair roads and improve parks in addition to keeping natural gas flares from interfering with the nearby McDonald Observatory. The company, he said, is also keeping saltwater disposal wells out of the area — allaying fears of causing earthquakes and groundwater contamination.

"Other companies are here making money money but not investing in the community but Apache is," Hinojos said. "They're here for the long haul."

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But Sharon Wilson, an anti-fracking activist with the environmental group Earthworks, called Apache's donations "a typical move from the oil and gas industry PR playbook," Wilson said the company is polluting the air and endangering groundwater.

Using infrared cameras, Wilson said she documented alleged air pollution incidents last March at one of Apache's natural gas processing plants near Balmorhea and forwarded her findings to the Texas Commission on Environmental Quality, which she said sent inspectors months later, but did not find any violations.

"People from all over the United States are upset that they are drilling that close to a national treasure," Wilson said. "People from all over the United States enjoy that pool but the area is being turned into an extraction zone."

Last January, the Houston oil company commissioned a \$2 million study with the University of Texas at Austin's Bureau of Economic Geology to study the recharge zones for aquifers feeding the pool and other nearby springs. Past studies show that the recharge zones are in nearby mountains and not in areas used for drilling.

The the new study is expected to provide a better understanding of how the springs flow. Fitzsimons said the company denies the allegations of pollution, stating that its natural gas plant near Balmorhea is in full compliance with TCEQ regulations and uses leak detection equipment at all its locations.

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"Apache takes compliance very seriously and we utilize multiple technologies, including specialized leak detection equipment, at this and all locations to ensure our operations are safe and in compliance with TCEQ standard," Fitzsimons said in a statement.

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