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Wall Street Journal

# Exxon CEO Joins Suit Citing Fracking Concerns

## Residents of Dallas Suburb Fight Construction of Tower That Would Provide Water for Drilling

By  
Daniel Gilbert

Feb. 20, 2014 5:45 p.m. ET



Some Bartonville residents oppose this mostly built water tower, partly because it could bring fracking-related traffic. *Brandon Thibodeaux for The Wall Street Journal*

BARTONVILLE, Texas—One evening last November, a tall, white-haired man turned up at a Town Council meeting to protest construction of a water tower near his home in this wealthy community outside Dallas.

The man was [Rex Tillerson](#), chairman and chief executive of [Exxon Mobil](#) Corp.

He and his neighbors had filed suit to block the tower, saying it is illegal and would create "a noise nuisance and traffic hazards," in part because it would provide water for use in hydraulic fracturing. Fracking, which requires heavy trucks to haul and pump massive amounts of water, unlocks oil and gas from dense rock and has helped touch off a surge in U.S. energy output.

It also is a core part of Exxon's business.



Rex Tillerson

While [the lawsuit](#) Mr. Tillerson joined cites the side effects of fracking, a lawyer representing the Exxon CEO said he hadn't complained about such disturbances. "I have other clients who were concerned about the potential for noise and traffic problems, but he's never expressed that to me or anyone else," said Michael Whitten, who runs a small law practice in Denton, Texas. Mr. Whitten said Mr. Tillerson's primary concern is that his property value would be harmed.

An Exxon spokesman said Mr. Tillerson declined to comment. The company "has no involvement in the legal matter" and its directors weren't told of Mr. Tillerson's participation, the spokesman said.

The dispute over the 160-foot water tower goes beyond possible nuisances related to fracking. Among the issues raised: whether a water utility has to obey local zoning ordinances and what are the rights of residents who relied on such laws in making multi-million-dollar property investments. The latter point was the focus of Mr. Tillerson's comments at the November council meeting.

The tower would be almost 15 stories tall, adjacent to the 83-acre horse ranch Mr. Tillerson and his wife own and a short distance from their 18-acre homestead. Mr. Tillerson sat for a three-hour deposition in the lawsuit last May, attended an all-day mediation session in September and has spoken out against the tower during at least two Town Council meetings, according to public records and people involved with the case.



The Exxon chief isn't the most vocal or well-known opponent of the tower. He and his wife are suing under the name of their horse ranch, Bar RR Ranches LLC, along with three other couples. The lead plaintiffs are former U.S. House Majority Leader Dick Arme and his wife, who have become fixtures at Town Council meetings.

Mr. Whitten, who also represents the Armes, said they declined to comment.

The water tower is being built by Cross Timbers Water Supply Corp., a nonprofit utility that has supplied water to the region for half a century. [Cross Timbers says](#) that it is required by state law to build enough capacity to serve growing demand.

"We're a high water-usage area," said utility President Patrick McDonald. "People have large lots, lawns, horses, cattle, goats, swimming pools, gardens," he said. Cross Timbers, formerly known as Bartonville Water Supply, said it would sell leftover supplies to energy companies during months when overall demand is low.

### Tilting at a Water Tower

Bartonville's population has increased almost 50% since 2000, to about 1,600, according to U.S. figures.

Mr. Tillerson, 61 years old, moved to Bartonville in 2001 and became CEO in 2006. Since 2007, companies have fracked at least nine shale wells within a mile of the Tillerson home, according to Texas regulatory and real-estate records.

The last to do so was XTO Energy Inc., in August 2009, according to Texas regulators. Mr. Tillerson had just begun talks for Exxon to acquire XTO. Four months later, Exxon swallowed its smaller rival for \$25 billion, becoming America's biggest gas producer.

XTO drills and fracks hundreds of shale wells a year, and the Exxon unit has said it recycles water and ships it on pipelines where feasible, in part to reduce truck traffic.

In 2011, Bartonville denied Cross Timbers a permit to build the water tower, saying the location was reserved for residences. The water company sued, arguing that it is exempt from municipal zoning because of its status as a public utility.

In May 2012, a state district court judge agreed with Cross Timbers and compelled the town to issue a permit. The utility resumed construction as the town appealed the decision.

Later that year, the Armeys, the Tillersons and their co-plaintiffs sued Cross Timbers, saying that the company had promised them it wouldn't build a tower near their properties. They also filed a brief in support of the town's appeal.

Last March, an appellate judge reversed the district judge's decision saying he had overstepped his jurisdiction and sent the case back to the lower court, where it is pending.

Meanwhile, the utility has reached out to Bartonville voters, who in November elected two members to the council who criticized the town's fight against the tower.

"The council is currently evaluating all options," said Bill Scherer, Bartonville's mayor pro tem.

In the wake of the election, Mr. Tillerson was among those who lined up in a windowless hall to address the council. He told officials that he and his wife settled in Bartonville to enjoy a rural lifestyle and invested millions in their property after satisfying themselves that nothing would be built above their tree line, according to the council's [audio recording](#) of the meeting.

Allowing the tower in defiance of town ordinances could open the door to runaway development and might prompt him to leave town, Mr. Tillerson told the council. "I cannot stay in a place," he said, "where I do not know who to count on and who not to count on."