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The Mountain Pact Supports the Department of Interior's Final Rule to Modernize Oil and Gas Leasing on Our Public Lands

DURANGO, CO - Today the Bureau of Land Management <u>announced</u> that they have <u>finalized their Fluid Mineral Leases and Leasing Process</u> (Onshore Oil and Gas Leasing Rule). The agency says, "The BLM has modernized its management of oil and gas leasing on public lands with a final rule that minimizes resource conflicts between fossil fuel development and other resources on BLM-managed public lands and subsurface mineral estate. By focusing oil and gas leasing in areas with existing infrastructure and high oil and gas potential, these regulations help to protect critical wildlife habitat, cultural resources, and recreational values, while ensuring a fair return for American taxpayers."

<u>The Mountain Pact</u>, an organization that works with local elected officials in 100 communities across the Western U.S., released the below statements. This follows a March <u>letter</u>, signed by over 100 Colorado elected officials supporting BLM Oil and Gas Rule and opposing H.R. 6009.

"We thank the Department of Interior, Bureau of Land Management and the Biden administration for modernizing oil and gas leasing on our public lands and bringing the program into the 21st century. We are thrilled the final rule will help fix the broken oil and gas leasing program." - Anna Peterson, Executive Director of The Mountain Pact.

Pitkin County, Colorado Commission Chair Greg Poschman said, "The BLM's oil and gas leasing rule is a critical step in efforts to update the out-dated system. These stricter bonding requirements are widely supported by Coloradans — 92% of voters support requiring oil and gas companies, rather than taxpayers, to pay for all clean-up and restoration costs after drilling occurs. As a western local elected official, I thank the Biden Administration for their forward-looking changes and for listening to us."

Town of Eagle, Colorado Council Member Geoffry Grimmer said, "The existing federal onshore oil and gas system prioritizes leasing and production on public lands over all other important uses. I thank the Biden administration for listening to our voices as western local elected officials and implementing critical reforms to an antiquated system."

Town of Ridgway, Colorado Mayor John Clark said, "I'm grateful to the Biden administration for updating our current oil and gas leasing process. By reforming the bonding process the Bureau of Land Management is ensuring that companies are held accountable for cleaning up their messes on public lands. The rule will also deprioritize leasing lands with little to no oil or gas development potential and updating bonding reforms. This final oil and gas rule will secure critical reforms to the federal oil and gas leasing program."

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Founded in 2014, <u>The Mountain Pact</u> mobilizes local elected officials in 100 Western mountain communities with outdoor recreation based economies to speak with a collective voice on federal climate, public lands, and outdoor recreation policy.

More from the BLM's <u>Announcement</u>: "The final rule represents the first comprehensive update to federal onshore oil and gas leasing regulations in nearly four decades. As a result of this badly needed modernization, the BLM will continue to meet America's energy needs while leading the way in sustainable as the agency works to manage public lands in a balanced, responsible way.

This rule reinforces the BLM's leadership role in energy development by:

- ensuring responsible leasing and diligent development to minimize conflicts with other resources while ensuring the BLM can continue to manage public lands for multiple uses;
- implementing key fiscal reforms, including updating royalty rates, rental rates, and minimum bids on BLM-managed public lands; and
- modernizing bonding requirements for leasing, development, and production to ensure taxpayers do not bear the cost of orphaned wells on public lands.

Overall, this means the Bureau can focus oil and gas leasing in areas with existing infrastructure and high oil and gas potential. This alleviates development pressure on areas with sensitive wildlife habitat, cultural resources, high recreational usage, or other special resources and values.

With changes to royalties, rentals, and fees, the final rule ensures that the American public receives a fair return from authorized oil and gas activities on public lands. It also helps protect taxpayer interests by increasing bonding requirements for the first time in six decades so that taxpayers don't bear the cost of orphaned and abandoned wells on public lands.

This rule also helps to ensure the protection and proper stewardship of public lands, including potential climate and other impacts associated with fossil fuel activities. As the Administration prioritizes a transition to a clean-energy economy, authorized oil and gas leasing remain a major part of the BLM's multiple-use and sustained yield mandate.

The rule is responsive to Congressional direction by codifying fiscal provisions in the <u>Inflation Reduction</u>
<u>Act</u> and the <u>Bipartisan Infrastructure Law</u>. The rule also implements recommendations from the
Department of the Interior's Report on the Federal Oil and Gas Leasing Program.

The public comment period for the proposed rule ended on September 22, 2023. During the 60-day public comment period, the BLM received over 215,000 comments submitted by Federal, State, and local governments, local agencies, Tribal organizations, industry representatives, individuals, and other external stakeholders. The vast majority of submissions were form letters. Commenters also submitted roughly 1,000 unique letters. From all submissions, the BLM identified approximately 1,200 unique comments raising specific issues on the proposed rule."