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**Corey Fisher**  
*Public Land Policy Director*

March 9, 2021

The Honorable Alan Lowenthal, Chair  
Subcommittee on Energy and Mineral Resources  
Committee on Natural Resources  
1324 Longworth House Office Building  
Washington, DC 20515

The Honorable Pete Stauber, Ranking Member  
Subcommittee on Energy and Mineral Resources  
House Committee on Natural Resources  
1329 Longworth House Office Building  
Washington, DC 20515

**RE: Bonding Reform and Taxpayer Protection Act (H.R. 1505), Restoring Community Input and Public Protections in Oil and Gas Leasing Act (H.R. 1503), and the Ending Taxpayer Welfare for Oil and Gas Companies Act (H.R. \_\_\_).**

Dear Chairman Lowenthal and Ranking Member Stauber:

On behalf of our 330,000 members and supporters across the country, Trout Unlimited (TU) writes to provide our views on H.R. 1503, H.R. 1505, and the Ending Taxpayer Welfare for Oil and Gas Companies Act.

Healthy fish and wildlife habitat, and the attendant recreation economy, depends on smart, balanced management of diverse public land uses. It is TU's policy to encourage energy development in a way that meets the needs of people while eliminating, minimizing, or mitigating the impacts to coldwater fisheries and their watersheds. TU works with numerous partners to ensure that energy projects are planned, sited, constructed, operated, and reclaimed in a manner that conserves coldwater fisheries and their watersheds.

Public involvement, transparency, adequate bonding, meaningful reclamation requirements, and balanced leasing policies are hallmarks of responsible energy development and we offer the following comments for your consideration.

***Restoring Community Input and Public Protections in Oil and Gas Leasing Act (H.R. 1503)***

It is past due for Congress to modernize the federal oil and gas leasing program and H.R. 1503 would implement several much-needed reforms to address these issues. In particular, the legislation would increase the per acre minimum bid, eliminate non-competitive leasing, establish a standard five year lease term, end anonymous lease nominations and require a fee to nominate lease parcels that covers the cost of processing the nomination. Taken together, these provisions will help steer leasing interest toward areas that are most appropriate for leasing, exploration and development, allowing for more efficient land management and freeing up agency resources to foster responsible development – if suitable – in those locations.

The legislation would also foster responsible energy development by requiring oil and gas leases to include stipulations that are “adequately protective of the resource for which the stipulations are applied,” helping to ensure that where development does occur, it is balanced with other resource values. Lastly, H.R. 1503 would increase transparency by requiring public notice for lease transfers, lease suspensions, applications to drill, modifying lease terms, or modifications, waivers or exceptions to stipulations. These requirements will help to ensure that the oil and gas lease operations and management are carried out in the public interest.

***Bonding Reform and Taxpayer Protection Act (H.R. 1505)***

All public lands users, including the public and industry, have a responsibility to leave the land better than they found it – this is a premise of H.R. 1505. Adequate interim and final reclamation plans are an integral part of responsible oil and gas development and will help to minimize and mitigate impacts to fish, wildlife and water resources.

Sufficient bonding is an insurance policy for the public to know that regardless of the financial status of an operator, our public lands and resources will be reclaimed after development, even if the well is orphaned. The recent GAO report *Bureau of Land Management Should Address Risks from Insufficient Bonds to Reclaim Wells* (GAO-19-615), found that "bonds held by BLM have not provided sufficient financial assurance to prevent orphaned oil and gas wells", and that there have been 89 new orphan wells between 2017-2019.

This is deeply concerning and TU appreciates that H.R. 1505 proposes to take steps that would help rectify the situation and ensure that the public is not left with the burden of reclaiming orphan wells left by irresponsible operators.

***Ending Taxpayer Welfare for Oil and Gas Companies Act of 2021***

For over a decade TU has engaged with the BLM in the oil and gas lease sale process, including reviewing proposed leases in areas with a coldwater nexus and providing input through public involvement opportunities offered by the agency. One troubling trend we have seen is the continued nomination and offering of hundreds of thousands of acres of oil and gas leases on public lands that offer little if any potential for producing oil and gas. For instance, since March of 2017 over 2.5 million acres have been offered by the BLM's Nevada State Office, the vast majority of which are in areas rated as being low or no potential for oil and gas. Yet, the BLM continues to entertain these proposals, diverting resources away from other agency programs to evaluate nominated leases. Moreover, these proposals spur conflict as oil and gas leases are nominated in areas that are highly regarded by hunters and anglers.

This legislation will help to discourage speculative leasing by creating a financial disincentive to lease vast swaths of public land. Moreover, this will help steer leasing interest toward areas that are best suited for development, allowing for more efficient land management and freeing up agency resources to foster responsible development – if suitable – in those locations.

Responsible energy development and conservation need not be mutually exclusive, but it takes the right polices to ensure this tenuous balance moving forward. We thank you for holding this important hearing and appreciate the consideration of our comments.

Sincerely,



Corey Fisher