Dear U.S. BLM Director Tracy Stone-Manning:

We write to urge the U.S. Bureau of Land Management (BLM) to promulgate requirements to end the grossly wasteful practice of routine venting and flaring of associated gas at oil wells on leased federal and tribal lands. While the November 2021 "<u>U.S. Methane Emissions Reduction Plan</u>" released by the White House proposes to reduce methane emissions from oil and gas operations on federal and tribal lands, the only approach referenced – charging royalties -- would have little if any effect on the quantity of waste. Leading states have banned routine venting and flaring; the federal government should do likewise.

In 2019, oil and gas operators vented or flared approximately 150 billion cubic feet of methane or about \$400 million worth of natural gas on federal and tribal lands. That is enough natural gas to meet the needs of 2.1 million households, which is nearly as many households as the states of New Mexico, North Dakota, Utah and Wyoming combined. Moreover, taxpayers lost over \$50 million in federal royalty revenue due to this wasted natural gas.

When methane escapes into the atmosphere, it is a powerful climate forcer, more than 80 times more powerful than carbon dioxide at trapping heat over a 20-year timeframe. In fact, methane is responsible for more than a quarter of the planet's warming that we experience today, contributing to more drought and accelerating wildfires across public lands in the West.

Venting and flaring also emit other harmful pollutants including ozone-forming volatile organic compounds (VOCs) and hazardous pollutants such as benzene and hydrogen sulfide, into the air that have significant public health impacts on communities living in basins with oil and gas production or in proximity to federally-owned minerals. VOCs from oil and gas operations can adversely impact the central nervous system; eyes, skin and respiratory tracts; and the liver, kidney, and endocrine systems. The health risks increase the closer people live, work, and go to school near oil and gas facilities. In New Mexico, for example, persons of color represent over half of the people living within 1,000 feet of oil and gas wells, along with thousands of children, elders, and low-income persons who also live within close proximity of oil and gas operations. Thus, the financial benefits of proscribing routine venting and flaring would be accompanied by substantial incidental benefits (and reduced costs) to climate and public health.

Substantial venting and flaring occur on an ongoing basis at wells that produce both oil and gas, but where the operator has chosen not to take the actions necessary to send the gas to market or otherwise put it to use. This disposal of associated gas through "routine flaring" is a profit-maximizing business practice that is unnecessary and wasteful, as the industry itself has recognized. In fact, ExxonMobil pledged to eliminate routine flaring in the Permian Basin by the end of 2022, and the World Bank has set a goal to end routine flaring worldwide by 2030. Three major oil and gas producing states--Alaska, Colorado, and New Mexico--have prohibited routine venting and flaring of associated gas, recognizing this as a wasteful and avoidable practice.

BLM has clear authority and a statutory duty to prohibit the waste of oil and gas owned by the public and Native American tribes. BLM should build from examples in leading states and commitments from operators by promulgating regulations to end routine venting and flaring.

For instance, for all new wells that have not yet received approval of an application for permit to drill (APD), BLM should promulgate regulatory conditions for APD approval that would preclude routine flaring from the well. Specifically, connection of the well to a gathering system with adequate takeaway capacity should be a precondition for beginning production. Additionally, routing of natural gas to such a system or to another productive use should be a condition of the APD throughout the life of the well, as should adding compression where necessary to ensure access to the gathering system when higher-pressure wells come online. For existing wells, BLM should promulgate requirements to phase out routine flaring as quickly as possible. BLM should also immediately cease all new approvals of royalty-free venting or flaring.

Within this framework, BLM could narrowly tailor accommodations for the highly limited circumstances where eliminating routine flaring may not be technically possible. But as states and leading operators have demonstrated, those instances are extremely rare. BLM could consider appropriate accommodations for the few existing wells that are located too far from any gas processing facilities for gathering lines to be economically viable. For example, such existing wells could be required to demonstrate that putting associated gas to other productive uses is not possible, prior to being granted a time-limited short-term extension of the phase-out date.

These common-sense requirements would ensure that going forward, lessees' development rights are respected while ensuring public resources are not squandered. The requirements would rest on BLM's longstanding authority and statutory mandate to prohibit waste of public and tribal resources, under which "waste" is not defined only as disposition of resources contrary to the economic interests of the operator.² Such measures would recognize and help enforce state prohibitions on routine flaring.

These measures would also deliver the co-benefit of methane reductions that are necessary to meet our global commitments under the Paris Agreement and the Global Methane Pledge, and the reduction of public health impacts in oilfield and oilfield-adjacent communities. They would help mitigate the substantial harms that extended periods of venting and flaring inflict upon nearby communities and the nation as a whole through air pollution and exacerbation of climate change, as well as massive light pollution and noise pollution in otherwise remote and relatively pristine areas. It is especially critical that BLM take these actions given the massive health, environmental and economic burdens borne by disadvantaged communities living in and near oil fields.

In the interim, as BLM's rulemaking process unfolds, we also urge BLM to take immediate steps to reduce waste from oil and gas leases on public and tribal lands. BLM's ongoing and extensive

¹ Productive uses could include beneficial on-site use, electricity generation for use on or off-site, compression and trucking to a gas processing facility, reinjection that could allow for later extraction and other uses that provide or preserve the resource value.

² See California v. Bernhardt, 472 F. Supp. 3d 573, 582 (N.D. Cal. 2020).

business-as-usual permitting of new oil and gas wells and associated infrastructure effectively condones vast and significant methane waste. This is neither authorized nor necessary. For example, BLM's longstanding waste regulation – Notice to Lessees-4A (NTL-4A) – explicitly prohibits flaring of oil-well gas absent written approval from BLM based on a showing that the flaring is necessary to avoid abandonment of the lease. The fact that BLM has largely failed to apply this requirement in practice only makes its implementation grossly overdue, not unnecessary. BLM should also be treating recompletions of existing wells as new drilling that requires affirmative BLM approvals after meeting regulatory requirements, rather than allowing operators merely to notify BLM of these activities.³ These are just two of the many ways in which BLM could and should be taking immediate action to carry out its existing responsibilities and authority pursuant to the Mineral Leasing Act, Federal Land Policy and Management Act, and NTL-4A to reduce waste to the full extent possible prior to rulemaking, including through stipulations on new leases and conditions of approval on new drilling permits.

We appreciate your work on this vital issue and your careful consideration of our recommendations.

Sincerely,

Alliance of Nurses for Healthy Environments

CAVU

Center for Civic Policy

Center for Human Rights and Environment

Citizens Caring for the Future

Clean Air Task Force

Clean Water Action

Conservation Colorado

CVNM

Dakota Resource Council

Defend Our Future

Diné C.A.R.E.

Earthjustice

Earthworks

Environmental Defense Fund

Environmental Health Project

Fort Berthold Protectors

of Water and Earth Rights

Grand Canyon Trust

GreenLatinos

Healthy Air and Water CO

HECHO (Hispanics Enjoying Camping, Hunting, and the Outdoors)

Hispanic Access Foundation

Institute for Governance

& Sustainable Development

Interfaith Power & Light

League of Conservation Voters

League of Oil and Gas Impacted Coloradans

Methane Action

Moms Clean Air Force

Mormon Environmental Stewardship

Alliance (MESA)

National Audubon Society

National Parks Conservation Association

National Wildlife Federation

Natural Resources Defense Council

NAVA Education Project

New Mexico & El Paso Region Interfaith

Power and Light

New Mexico Environmental Law Center

New Mexico Sportsmen

New Mexico Voices for Children

³ This would reflect the reality that EPA has already recognized in NSPS OOOOa, that recompletions of existing wells result in essentially the same emissions as the drilling of a new well and thus have the same implications for waste.

New Mexico Wild

Partnership for Responsible Business

Physicians for Social Responsibility

Physicians for Social Responsibility

Pennsylvania

ProgressNow Colorado

ProgressNow New Mexico

Project CoffeeHouse

Public Land Solutions

Responsible Drilling Alliance

Rio Grande Indivisible, NM

Rocky Mountain Farmers Union

San Juan Citizens Alliance

Santa Fe Green Chamber of Commerce

Sierra Club

Southern Oregon Climate Action Now

The Evangelical Environmental Network

The Wilderness Society

Union of Concerned Scientists

United Methodist Women

Waterkeeper Alliance

Western Colorado Alliance

Western Environmental Law Center

Western Leaders Network

Western Organization of Resource Councils

Western Resource Advocates

Wyoming Outdoor Council

Young Evangelicals for Climate Action