



BOARD OF COMMISSIONERS

HILARY COOPER KRIS HOLSTROM LANCE WARING

Senator Michael Bennet
261 Russell SOB
Washington, DC. 20510
cc: John_Whitney@bennet.senate.gov

August 6, 2020

Dear Senator Bennet,

We support your efforts to protect taxpayers and our environment from the damages associated with orphaned oil and gas wells by sponsoring legislation to improve the efficacy of the federal onshore bonding program and support cleanup efforts. As the Government Accountability Office (GAO) has documented in multiple reports, the federal onshore oil and gas bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability, along with a threat to local communities. In San Miguel County, we have significant impacts from a legacy of hard rock and particularly uranium mining that has not been adequately remediated and reclaimed. We urge you to pursue a legislative solution to this problem that ensures federal bonds are sufficient to cover the full costs of reclamation and remediation on federal lands and for federal minerals. These funds should provide adequate protection for our natural resources, and recreational opportunities.

The State of Colorado recently issued a study which confirmed the need to address orphaned oil and gas wells. The current economic situation is likely to compound the challenges of addressing the problem. We would like to see the current risks from orphaned wells addressed before any additional leases of federal minerals and leases on federal lands are considered.

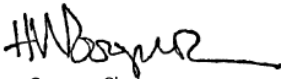
Oil and gas wells that are abandoned by companies without being fully plugged and reclaimed pose many risks to our communities and our nearby public lands. Orphaned wells can leak methane into the air, leach toxins into groundwater, harm wildlife and livestock and impact natural resources and recreation opportunities. Federal reclamation bonds are an important insurance policy for publicly owned resources and for public health, particularly for communities situated near public lands.

Oil and gas development is an important part of our economy in western Colorado; however, its economic value is diminished when costs associated with cleaning up drilling sites are shifted to taxpayers and government agencies. A 2019 GAO report shows that 84 percent of federal bonds are too low to cover reclamation costs of the wells they cover, leaving the BLM liable for upwards of \$333 million in potential reclamation costs. It has been a challenge in San Miguel County to collect property taxes from many of our producers, and when they declare bankruptcy they leave not only unpaid local taxes, but public safety and reclamation needs that are often

unmet. These liabilities should not fall to the taxpayers or lead to orphaned wells that continue to pose a risk to local communities. They should be a cost of doing business for the producer.

In addition to the public safety and environmental benefits of reclaiming and remediation work, the potential economic benefits for rural communities are of great interest to us. Local employment and developing new recreational opportunities could benefit our communities left with a legacy of the unmet needs from the industry. We are very supportive of your efforts to address the significant backlog of closure actions from the extraction of federally owned minerals oil and leasing activity on public lands.

Sincerely,
San Miguel County
Board of Commissioners



Hilary Cooper, Chair



Lance Waring, Vice Chair



Kris Holstrom, Commissioner



BOARD OF COUNTY COMMISSIONERS

970.453.3402 ph | 970.453.3535 f | 208 East Lincoln Ave. | PO Box 68
www.SummitCountyCO.gov | Breckenridge, CO 80424

Friday, September 11, 2020

The Honorable Michael Bennet
261 Russell Senate Office Building
Washington, DC 20510

Dear Senator Bennet,

The Summit County Board of County Commissioners adopted the Summit Community Climate Action Plan on April 23rd 2019 to serve as a guide for the community at large, outlining shared goals and potential implementation strategies which may be pursued over the coming years to further reduce greenhouse gas emissions throughout Summit County communities. However, we recognize that local policies and local action, while critical, will not alone be sufficient to meet our own climate, energy, and sustainability goals, nor will they alone be sufficient to reduce the severity of climate change and its impacts to our community.

Because Summit County desires to have an effective voice in the development of state and federal energy and greenhouse gas reduction policies, we support your efforts to protect taxpayers and our environment from the damages associated with orphaned oil and gas wells, by sponsoring legislation to improve the federal onshore bonding program and supporting cleanup efforts. Summit County is especially concerned about unaccounted greenhouse gas emissions from orphaned wells, such as methane leakage, which acts as a significant driver of the climate crisis.

While our state has undertaken an effort to identify and clean up orphaned wells, the need is greater than we can address in the short-term and the current economic situation is likely to increase the scope of the problem. On federal lands, which make up a significant portion of the state, the Government Accountability Office has documented in multiple reports, the federal onshore bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability. We would like to see the current risks from orphaned wells addressed but we cannot afford to keep adding to the problem on federal lands.

Oil and gas wells that are abandoned by companies without being fully plugged and reclaimed pose many risks to our communities, our nearby public lands, and our climate. Orphaned wells can leak methane into the air, leach toxins into groundwater, harm wildlife and livestock, and impact other public lands resources and recreation opportunities. Adequate federal bonding is a necessary insurance policy for publicly owned resources and public health, both for communities situated near public lands and for the taxpayers of our state who will otherwise be left to fund cleanup. Funding restoration of orphaned wells more broadly would benefit the state's economy and environment.

Further, we have all invested in protecting lands in our counties and support your efforts in that regard, as well, including through the Colorado Outdoor Recreation and Economy Act. We want to make sure that oil and gas development is fully reclaimed protect our public lands resources, such as wildlife and recreation, which contribute to our outdoor economy and contribute to a healthy environment for our residents.

We support your efforts to propose legislative solutions to these challenging issues and to protect all taxpayers from bearing the costs to cleanup oil and gas development on our public lands.

Sincerely,



Karn Stiegelmeier, Chair

September 11, 2020
Date

**SUMMIT COUNTY
BOARD OF COUNTY COMMISSIONERS**

Timothy V. Corrigan
District I

Douglas B. Monger
District II

M. Elizabeth Melton
District III

U.S. Senator Michael Bennet
261 Russell Senate Office Building
Washington, DC 20510

Dear Senator Bennet:

We support your continued efforts to protect taxpayers, our communities and our environment from the harmful consequences of orphaned oil and gas wells, including by sponsoring legislation to improve the efficacy of the federal onshore bonding program and supporting cleanup efforts. As has been well documented, the federal onshore oil and gas bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability, along with a threat to local communities and our climate.

We urge you to pursue a legislative solution to this problem that ensures federal bonds are sufficient to cover the full costs of reclamation and adequately protect other public lands resources, such as wildlife and recreation, while considering options to address needed remediation and reclamation more broadly.

The state's recent study has confirmed the need to address orphaned oil and gas wells in Colorado and the current economic situation is likely to increase the scope of the problem. We would like to see the current risks from orphaned wells addressed but we cannot afford to keep adding to the problem on federal lands.

Oil and gas wells that are abandoned by companies without being fully plugged and reclaimed pose many risks to our communities and our nearby public lands. Orphaned wells can leak methane into the air, leach toxins into groundwater, harm wildlife and livestock, and impact other public lands resources and recreation opportunities. A 2019 GAO report shows that 84% of federal bonds are too low to cover reclamation costs of the wells they cover, leaving the BLM liable for upwards of \$333 million in potential reclamation costs.¹

While oil and gas development is a part of Colorado's economy, its economic value is diminished when costs associated with cleaning up drilling sites are shifted to taxpayers and government agencies. Colorado's public lands are important to our economy, too, and where oil and gas development occurs, it should be fully reclaimed to protect wildlife, recreation, and sustain our outdoor economy and environment for all Coloradans.

¹ <https://www.gao.gov/assets/710/701450.pdf>

We appreciate your efforts to protect public lands, such as through the Colorado Outdoor Recreation and Economy Act. We further support your work to ensure that our public lands are protected against orphaned oil and gas wells, our taxpayers do not have to bear the burden of cleaning them up, and our communities are safeguarded from the risks they pose.

Sincerely,
Routt County Commissioners

A handwritten signature in black ink, appearing to read 'Tim Corrigan'.

Tim Corrigan

A handwritten signature in black ink, appearing to read 'Beth Melton'.

Beth Melton

A handwritten signature in black ink, appearing to read 'Doug Monger'.

Doug Monger





Gunnison County Board of County Commissioners

Phone: (970) 641-0248 • Fax: (970) 641-3061

Email: bocc@gunnisoncounty.org • www.GunnisonCounty.org

August 4th, 2020

Dear Senator Bennet:

We write to support your efforts to protect taxpayers and our environment from the damages associated with orphaned oil and gas wells, including by sponsoring legislation to improve the federal onshore bonding program and supporting cleanup efforts.

While oil and gas development is an important part of our economy in western Colorado, its value is undercut when costs associated with cleaning up drilling sites are shifted to taxpayers and government agencies. By way of example, when Fram declared bankruptcy last year it was operating in neighboring Mesa and Delta Counties and had posted a total of \$310,000 in bonds – but bankruptcy filings suggested that the BLM would require at least \$1.54 million for cleanup costs.¹ Unfortunately, the discrepancy between posted bond amounts and cleanup costs is not an isolated incident. As the Government Accountability Office (GAO) has documented, the federal onshore oil and gas bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability and a threat to local communities.² The risks from orphaned wells should be covered by sufficient bonds. Cleanup should not be left to publicly-funded government agencies while wells remain a threat to local communities.

The State of Colorado's recent study has confirmed the need to address orphaned oil and gas wells and the current economic situation in the oil and gas industry is likely to increase the scope of the problem. We would like to see the current risks from orphaned wells addressed, but we cannot afford to keep adding to the root of the problem on federal lands by neglecting to address bonding reform.

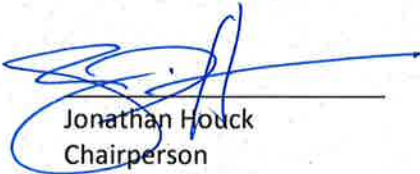
We support a legislative solution to this problem that ensures federal bonds are sufficient to cover the full costs of reclamation and adequately protect other public lands resources while considering options to address needed remediation and reclamation of existing orphaned wells more broadly. In addition to the obvious benefits to the environment from reclaiming orphaned wells, we also note the potential economic benefits these clean-up efforts can bring to rural communities. From jobs on reclamation projects to helping establish new recreational infrastructure and amenities, the push to reclaim our public lands can benefit Gunnison County.

Gunnison County has invested heavily in protecting our highly valuable public lands from the impacts of oil and gas development, such as our work together to protect the Thompson Divide from new leasing through the Colorado Outdoor Recreation and Economy Act. We are interested in ensuring oil and gas development that does occur is fully reclaimed in order to protect our public lands resources, such as wildlife and recreation, which contribute to our outdoor economy and sustain a healthy environment for Gunnison County residents.

¹ https://www.gisentinel.com/news/western_colorado/fram-drilling-files-for-bankruptcy/article_7ff6e488-6d64-11e9-8891-20677ce06c14.html

² <https://www.gao.gov/assets/710/701450.pdf>

Sincerely,



Jonathan Houck
Chairperson



Roland Mason
Vice-Chairperson



Elizabeth Smith
Commissioner



EAGLE COUNTY

Board of County Commissioners

970-328-8605

970-328-8629(f)

eagleadmin@eaglecounty.us

www.eaglecounty.us

September 10, 2020

The Honorable Michael Bennet
United States Senate
261 Russell Senate Office Building
Washington DC, 20510

Dear Senator Bennet,

As western Colorado counties, we support your efforts to protect taxpayers and our environment from the damages associated with orphaned oil and gas wells, including by sponsoring legislation to improve the federal onshore bonding program and supporting cleanup efforts.

We recognize that oil and gas development is an important part of our economy in western Colorado. However, that economic value is reduced when costs associated with cleaning up drilling sites are shifted to taxpayers and state and local governments. While our state has undertaken an effort to identify and clean up orphaned wells, the need is greater than we can address in the short-term and the current economic situation is likely to increase the scope of the problem.

On federal lands, which make up a significant portion of the state, the Government Accountability Office has documented in multiple reports that the federal onshore bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability. We would like to see the current risks from orphaned wells addressed, and we cannot afford to keep adding to the problem on federal lands.

Oil and gas wells that are abandoned by companies without being fully plugged and reclaimed pose many risks to our communities and our nearby public lands. Orphaned wells can leak methane into the air, leach toxins into groundwater, harm wildlife and livestock, and impact other public lands resources and recreation opportunities. Adequate federal bonding is a necessary insurance policy for publicly owned resources and public health, both for communities situated near public lands and for the taxpayers of our state who will otherwise be left to fund cleanup. Funding restoration of orphaned wells more broadly would benefit the state's economy and environment.

Further, we have all invested in protecting lands in our counties and support your efforts in that regard as well, including through the Colorado Outdoor Recreation and Economy Act. We want to make sure that oil and gas development is fully reclaimed to protect our public lands resources, such as wildlife and recreation, which contribute to our outdoor economy and to a healthy environment for our residents.

We support your efforts to propose legislative solutions to these challenging issues and to protect all taxpayers from bearing the costs to clean up oil and gas development on our public lands.

Sincerely,

Kathy Chandler-Henry

Chair

Matt Scherr

Commissioner

Jeanne McQueeney

Commissioner



BOARD OF COUNTY COMMISSIONERS

530 East Main Street
Aspen, Colorado 81611
Phone: (970) 920-5200
www.pitkincounty.com

September 10, 2020

RE: Addressing Shortcomings of the Federal Onshore Oil and Gas Bonding Program

Dear Senator Bennet,

As a Western Colorado county, we support your efforts to protect taxpayers and our environment from the damages associated with orphaned oil and gas wells, including by sponsoring legislation to improve the federal onshore bonding program and supporting cleanup efforts.

We recognize that oil and gas development is an important part of our economy in western Colorado. However, that economic value is reduced when costs associated with cleaning up drilling sites are shifted to taxpayers and state and local governments. While our state has undertaken an effort to identify and clean up orphaned wells, the need is greater than we can address in the short-term and the current economic situation is likely to increase the scope of the problem.

On federal lands, which make up a significant portion of the state, the Government Accountability Office has documented in multiple reports, the federal onshore bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability. We would like to see the current risks from orphaned wells addressed but we cannot afford to keep adding to the problem on federal lands.

Oil and gas wells that are abandoned by companies without being fully plugged and reclaimed pose many risks to our communities and our nearby public lands. Orphaned wells can leak methane into the air, leach toxins into groundwater, harm wildlife and livestock, and impact other public lands resources and recreation opportunities. Adequate federal bonding is a necessary insurance policy for publicly owned resources and public health, both for communities situated near public lands and for the taxpayers of our state who will otherwise be left to fund cleanup. Funding restoration of orphaned wells more broadly would benefit the state's economy and environment.

Further, we have invested in protecting lands in our county and support your efforts in that regard, as well, including through the Colorado Outdoor Recreation and Economy Act. We want to make sure that oil and gas development is fully reclaimed to protect our public lands resources, such as wildlife and recreation, which contribute to our outdoor economy and a healthy environment for our residents.

Steven F. Child
County Commissioner
Chair

Patti Clapper
County Commissioner

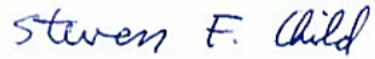
Kelly McNicholas Kury
County Commissioner
Vice Chair

George Newman
County Commissioner

Greg Poschman
County Commissioner

We support your efforts to propose legislative solutions to these challenging issues and to protect all taxpayers from bearing the costs to cleanup oil and gas development on our public lands.

Sincerely,

A handwritten signature in blue ink that reads "Steven F. Child".

Steven F. Child, Board Chair

Pitkin County Board of County Commissioners



Board of County Commissioners

August 17, 2020

U.S. Senator Michael Bennet
261 Russell Senate Office Building
Washington, DC 20510

DELIVERED VIA EMAIL

Dear Senator Bennet:

Boulder County appreciates your continued efforts to protect taxpayers, Colorado communities, and the environment from the harmful consequences of orphaned oil and gas wells, including by sponsoring legislation to improve the efficacy of the federal onshore bonding program and supporting cleanup efforts. The existing federal onshore oil and gas bonding program does not provide adequate financial assurances to prevent orphaned wells from becoming a taxpayer liability and a threat to local communities and the environment.

We urge you to pursue a legislative solution to this problem that ensures federal bonds are sufficient to cover the full costs of reclamation and adequately protect other public lands resources, such as wildlife and recreation, while considering options to address needed remediation and reclamation more broadly. Given current market conditions for fossil fuel commodities, this is a problem that is only going to get worse in the foreseeable future.

Oil and gas wells that are abandoned by companies without being fully plugged and reclaimed pose many risks to our communities and our nearby public lands. Orphaned wells can leak methane into the air, leach toxins into groundwater, harm wildlife and livestock, and impact other public lands resources and recreation opportunities. In the most severe instances, they are a risk to public safety with the potential for explosion. A 2019 Government Accounting Office report shows that 84% of federal bonds are too low to cover reclamation costs of the wells they cover, leaving the Bureau of Land Management liable for upwards of \$333 million in potential reclamation costs.¹

Any economic value that might be attributed to oil and gas development is diminished when costs associated with cleaning up drilling sites are shifted to taxpayers and government agencies. Colorado's public lands are important to our economy, and where oil and gas development occurs, it should be fully reclaimed to protect wildlife, recreation, and sustain our outdoor economy and environment for all Coloradans.

¹ <https://www.gao.gov/assets/710/701450.pdf>

We appreciate your work to ensure that our public lands are protected against orphaned oil and gas wells, that taxpayers are not compelled to bear the burden of cleaning them up, and that communities hosting these facilities are safeguarded from the risks they pose.

Sincerely,



Deb Gardner
Chair



Matt Jones
Vice-Chair



Elise Jones

CC: Congressman Joe Neguse