

May 25, 2021

The Honorable Joe Manchin III Chairman Senate Committee on Energy and Natural Resources

The Honorable John Barrasso Ranking Member Senate Committee on Energy and Natural Resources

Dear Chairman Manchin and Ranking Member Barrasso,

As Governors and members of the Interstate Oil and Gas Compact Commission, we write to endorse S. 1076, the "Revive Economic Growth and Reclaim Orphaned Wells (REGROW) Act of 2021," introduced by Senators Luján and Cramer on April 12, 2021. This legislation has been referred to the Senate Committee on Energy and Natural Resources and we urge its swift passage through the Committee.

A combination of the pandemic and a price war between Russia and Saudi Arabia in 2020 decimated demand for natural gas and oil, which led to a rapid drop-off in domestic production. That drop off had a two-fold effect on producing states: crippling job losses and declining state revenue derived from taxes and royalties from natural gas and oil production. This legislation addresses both concerns while also supporting environmental protection and remediation.

The labor pools for natural gas and oil production and well plugging and remediation are virtually the same. A healthy influx of well plugging projects will provide job opportunities for tens of thousands of these workers while fast-tracking environmental restoration across the country. The states have plugged over 70,000 orphaned wells over the last several decades, but current state well inventories include a roughly equal number of documented orphaned wells remaining to be plugged. This legislation supports state programs by providing an infusion of funds to plug orphaned wells and accelerate the associated environmental benefits.

S. 1076 is a good piece of legislation that will put workers back to work, have a real stimulative effect on our economy, protect the environment, and improve communities. We hope you will quickly move this important bill through your committee.

Sincerely,

J. Kevin Stitt Governor of Oklahoma IOGCC Chair Michelle Lujan Grisham Governor of New Mexico

Doug Burgum \
Governor of North Dakota

Brad Little Governor of Idaho

Laura Kelly Governor of Kansas

Governor of Kentucky

Mike DeWine Governor of Ohio

Tom Wolf

Governor of Pennsylvania

Greg Abbott Governor of Texas

Spencer Cox Governor of Utah

Governor of West Virginia

Mark Gordon

Governor of Wyoming