

April, 8, 2021

Dear Representative:

We, the undersigned organizations, on behalf of our millions of members across the United States, many of whom are directly and indirectly impacted by oil and gas development, urge you to support *The Orphaned Well Cleanup and Jobs Act of 2021*, sponsored by Representative Leger Fernández (D-NM). This legislation will create jobs through a new program for the plugging, remediation, and inventory of orphaned wells on federal, tribal, state, and private lands; strengthens federal oil and gas bonding requirements; and creates incentives for states to strengthen bonding rules and other protections so that regulatory programs ensure complete and timely reclamation of oil and gas sites going forward.

An “orphaned” oil and gas well is a well that is not being used for authorized purposes, such as production, injection, or monitoring, and for which either no operator can be found, or the operator is unable to permanently plug the well and remediate and reclaim the well site (exact definitions vary between states and agencies). Orphaned oil and gas wells have been an issue for decades, in large part due to insufficient reclamation bond amounts that nearly always fall short of covering the true cost of cleanup. Wells without dedicated funding to plug and reclaim them often sit unmonitored for years or decades, leaking oil, gas, and brine that can pollute drinking water, contaminate land and the air, pose risks to public health and safety, and contribute to climate change. Federal minimum bonding requirements for wells on public lands have not been updated since the 1950s and the 1960s, and reclamation of these wells may exceed [\\$6 billion](#) in total.

The Bureau of Land Management (BLM) [has documented](#) 296 orphaned federal oil and gas wells, and the Interstate Oil and Gas Compact Commission (IOGCC) [has documented](#) nearly 57,000 orphaned wells on tribal, state, and private lands. BLM’s number is skewed artificially low, since the agency considers wells idle only when they have not produced for seven years or more, [compared to most state thresholds of one to two years](#). For example, the Environmental Protection Agency (EPA) estimates closer to hundreds of thousands of orphan wells, which is why a proper accounting of all orphan wells is important. There is a clear need to begin addressing orphaned well clean-up and reclamation, improve the inventory and cataloguing of idle and orphaned wells, update federal bonding requirements, and create good-paying union jobs as our country transitions out of the COVID-19 pandemic and into the clean energy economy of the future.

The Orphaned Well Cleanup and Jobs Act of 2021 takes immediate critical steps to begin addressing this need, and lays the groundwork through inventory to gain a better understanding of the problem’s true scale. First, it authorizes funds to identify, plug, and reclaim orphaned wells and the associated infrastructure on federal land. Second, it directs the Interior Secretary to create and administer grant programs that provide funds to states and tribes to plug and reclaim wells on tribal, state, and privately owned lands. And third, the bill strengthens federal oil and gas bonding rules. This will help ensure that oil and gas companies bear the burden of paying for plugging and reclamation costs as currently required by law, by eliminating nationwide bonds,

increasing the minimum value of statewide bonds adjusted for inflation, and improving data collection to identify and remedy orphaned wells.

The Orphaned Well Cleanup and Jobs Act of 2021 creates three types of state grants: Initial grants designed to get federal funds to states and help create good-paying union jobs quickly; formula grants designed to help states significantly reduce their inventories of documented orphaned wells; and discretionary grants designed to incentivize states to improve their oil and gas programs, including by reducing methane emissions and protecting groundwater. A report from [Resources for the Future](#) found that a federal program to plug 500,000 orphaned wells could create as many as 120,000 jobs. Not only is this bill a job creator, but it makes an important down payment toward ensuring there is a just transition for legacy fossil fuel communities. In addition, all individuals employed through the grant programs are paid no less than the local prevailing wage for corresponding work on similar projects in their respective locations.

Beyond orphaned wells, the country has a growing inventory of soon to be retired wells, such as idle wells, that are at the end of their economic life, and stripper wells, that produce less than 10-15 barrels of oil per day. According to [research by Carbon Tracker](#), idle wells now outnumber producing wells in most major oil and gas producing states. Idle wells pose a significant risk of becoming orphaned, because they are uneconomic to operate and generally, idled wells returning to production is the exception, not the rule. This bill takes steps to address and reduce idle wells by establishing an annual federal idled well fee. Half of the funds will be used for inventorying, plugging, and remediating federal orphaned wells, and the other half will be used by BLM to carry out inspections on federal oil and gas operations, helping to ensure regular and thorough bond adequacy reviews and other necessary oversight.

This legislation is a crucial component to recovering from the economic impacts of the COVID-19 pandemic, will create good-paying union jobs to rebuild our natural infrastructure, and will help to combat the climate crisis. We're excited to see President Biden's *American Jobs Plan* call for a \$16 billion dollar investment in cleaning up abandoned mines and orphaned oil and gas wells. This bill is an important step toward achieving that plan. For these reasons, we urge you to support *The Orphaned Well Cleanup and Jobs Act of 2021*.

Sincerely,

350 Santa Fe
Center for American Progress
Citizens Caring For The Future
Clean Air Council
Clean Water Action
Climate Advocates Voces Unidas (CAVU)
Colorado Farm and Food Alliance
Conservation Colorado
Dakota Resource Council
Defend Our Future
Earthjustice

Earthworks
Environmental Defense Fund
Friends of the Earth
Grand Canyon Trust
Greanpeace USA
League of Conservation Voters
Moms Clean Air Force
Montana Wilderness Association
Montana Wildlife Federation
National Parks Conservation Association
National Wildlife Federation
Natural Resources Defense Council
Nevada Wildlife Federation
New Mexico Environmental Law Center
New Mexico Interfaith Power and Light
New Mexico Sportsmen
New Mexico Voices for Children
Partnership for Responsible Business
Physicians for Social Responsibility
Physicians for Social Responsibility, Arizona
Physicians for Social Responsibility, Pennsylvania
Physicians for Social Responsibility, San Francisco Bay
Physicians for Social Responsibility, Tennessee
ProgressNow New Mexico
Project CoffeeHouse
Public Land Solutions
Responsible Drilling Alliance (RDA)
Rocky Mountain Farmers Union
Santa Fe Green Chamber of Commerce
Sierra Club
The Evangelical Environmental Network
The Ohio Environmental Council
The Wilderness Society
Western Colorado Alliance
Western Leaders Network
Western Organization of Resource Councils
Wilderness Workshop