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House Passes Landmark Oil and Gas Accountability Legislation

Bill gives more protections for surface owners, water, and taxpayers

Billings, Mont. - Farmers, ranchers, homeowners and other westerners affected by oil and gas drilling hailed the passage today of a landmark bill that would protect landowners and water resources from irresponsible oil and gas development.

The House of Representatives today passed H.R. 3221, the New Direction for Energy Independence, National Security, and Consumer Protection Act, by a vote of 241-172. The bill would institute a federal renewable electricity standard (RES), give new rights to “split estate” landowners who own land over federal oil and gas resources, require replacement of water resources damaged by oil and gas development, strengthen oil and gas reclamation and bonding standards, and reform the federal oil and gas program.

“Westerners are fighting for the right to exist with the oil and gas industry,” said Donley Darnell, a rancher and split-estate landowner from Newcastle, Wyoming, and chairman of the Western Organization of Resource Councils (WORC). “This bill helps to level the playing field for landowners as they deal with oil and gas operators in the west. It’s an encouraging step in the right direction.”

H.R. 3221 would:

- Institute a federal RES of 15% from electricity generated by renewable sources and efficiency measures by 2020.
- Require oil and gas companies to sign agreements with private landowners whose land lies over federal minerals. Similar provisions have been passed by the states of Colorado, New Mexico and Wyoming, and are in place for federal coal and hard rock minerals.
- Require water management plans that detail how operators will protect water resources, and replacement of water resources that are lost or damaged by oil and gas development.
- Provide long-overdue updates to oil and gas bonding and reclamation standards, requiring land to be reclaimed so that it is capable of supporting the same uses it was capable of supporting prior to development, and bond amounts that reflect actual reclamation costs.
- Ensure a balanced and reasonable approach to the potential development of oil shale and tar sands on public lands.

As natural gas production across the West has skyrocketed in the past decade, millions of acres of land are being disturbed by pipelines, roads, compressor stations, transmission lines, wastewater containment ponds and well pads—turning agricultural land into industrial sites. Irresponsible development of these resources brings substantial risks to the region’s agricultural economy and environment.

“We can have oil and gas development and protect landowners and water, too,” Darnell said. “H.R. 3221 will help accomplish that goal.”

WORC is a network of conservation and family agriculture organizations in seven western states.