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Newly updated report finds federal oil and gas inspection and enforcement programs still lag behind pace of energy development

Billings, Mont. – Based on a newly updated report, residents in existing and potential oil and gas drilling areas in the West are urging the federal government to adequately fund and carry out inspection and enforcement programs.

Released today by the Western Organization of Resource Councils (WORC), the report found some improvement in the U.S. Bureau of Land Management's (BLM) oil and gas inspection and enforcement programs, but the time and money invested in inspections and the number of inspections conducted were too low in 1999 and have barely kept up with oil and gas permitting and drilling.

“They’re no longer falling behind, but they haven’t begun to close the gap,” said Peggy Utesch, Chair of WORC Oil and Gas Team from Fruita, Colo. “BLM needs more resources to ensure that federal oil and gas resources are developed in an environmentally responsible manner that protects the interests of landowners, communities, and taxpayers,”

The report, *Law and Order in the Oil and Gas Fields: A Review of Inspection and Enforcement Programs in Five Western States*, looks at the effects of the changes have had on BLM's environmental inspection and enforcement program in six field offices: Grand Junction, Colo.; Miles City, Mont.; Farmington, N.M. ; Dickinson, N.D.; Buffalo, Wyo., and Pinedale, Wyo.

According to the report, the agency conducted just 825 of 5,325, or 15 percent, of the required high priority environmental inspections in Fiscal Year 2007 in the six field offices. High priority inspections include wells near an area of special environmental concern or with a history of noncompliance.

“We compliment BLM for the progress made, but feel strongly that inspections – especially high priority inspections – need to be greatly accelerated if the agency is to gain control of what could be a scandalous problem and very costly to impacted landowners and all taxpayers,” said Bob LeResche, Chair of the Powder River Basin Resource Council, based in Sheridan, Wyo.

“As a split estate landowner facing coalbed methane drilling on my land, the findings in this report disturb me,” said Jeanie Alderson, a Northern Plains Resource Council member from Birney, Mont. “Although there’s been some improvement, I’m concerned about how well my land and family will be protected since the agency is unable to fulfill its responsibilities.”

“In response to the vast increase in expediting natural gas drilling in Farmington, citizens were promised that inspection and enforcement of natural gas project stipulations and approvals would be funded, staffed and prioritized,” said Mike Eisenfeld with the San Juan Citizens Alliance. “The underperformance by the Farmington Field Office on inspection and enforcement through 2008 points to the significant reform that is needed for the BLM to step up compliance.”

The Farmington office completed 82 of the 1,257 high priority required environmental inspections in FY 2007.

Other key findings are:

- Despite an increase in BLM environmental inspection staff, the time spent on environmental inspected has barely kept pace with the increase in active wells;
- After a relatively stable period, environmental inspections increased 86 percent in Fiscal Year 2007 over the previous year; and
- The number of written orders, which reflect the number of problems identified during environmental inspections, was nearly four times higher in FY 2007 than FY 1999.

The report recommends the following:

- Congress should fully fund the BLM’s inspection and enforcement program;
- BLM should use workforce planning to identify workforce needs and convey those needs to decision makers;
- Environmental inspectors should receive adequate training and certification to conduct environmental inspections and enforcement actions;
- BLM should strengthen its national inspection and enforcement strategy; and
- BLM should review the level of environmental inspection resources, inspections and enforcement actions in the Farmington, New Mexico, field office after entering inspection and enforcement data in the Automated Fluid Minerals Support System database. BLM field offices have been prevented from entering data from 2004 to 2008 because of the Cobell lawsuit, which claimed the Department of Interior incorrectly accounted for Indian trust assets.

The Obama administration’s 2010 budget request adds \$10.8 million to the BLM oil and gas program but does not indicate whether the any of the increase would go to inspection and enforcement programs. The total request is \$90.8 million.

“With the current slow down in permit applications and drilling, BLM has a golden opportunity to stop paying lip service to this problem,” said Don Nelson, a farmer, rancher, and Dakota Resource Council member from Keene, N.D. “They’ve missed an opportunity by not specifically requesting more funding for environmental inspections in their 2010 budget request,

but it's not too late. There's still time for Congress to set aside enough funds for BLM to hire the staff it needs to conduct all of the inspections it has identified as priorities.”

WORC represents farmers, ranchers, landowners, and consumers in Colorado, Idaho, Montana, North Dakota, Oregon, South Dakota, and Wyoming.