

Oil and Gas Industry Responsibility Petition

Assuring that reclamation of oil and gas wells is paid for by oil companies, not by taxpayers or landowners

Resolution of Support

WHEREAS, the Bureau of Land Management's (BLM) oil and gas bond amounts have not been updated since 1960, and

WHEREAS, bonds amounts are often significantly lower than the actual costs paid by the BLM to clean up abandoned oil and gas wells; and

WHEREAS, the BLM allows oil and gas companies to post blanket bonds, which may be inadequate to pay for reclamation when a company defaults on its obligations; and

WHEREAS, when BLM's bonding requirements are inadequate, the cost of clean up is often borne by landowners or taxpayers, rather than the company that caused the problem; and

WHEREAS, the BLM itself has recognized that its standards are inadequate, but it has not taken action; and

WHEREAS, it is a matter of basic fairness that oil and gas companies bear the burden of clean up by posting a full reclamation bond; and

WHEREAS, with the current boom in oil and gas drilling, it is more important than ever for the BLM to ensure that oil and gas development is done responsibly; and

WHEREAS, in May 2006, the Western Organization of Resources filed a petition for rulemaking with the BLM that would help ensure that land damaged by drilling is reclaimed and that taxpayers and landowners are not forced to pay restoration costs; and

WHEREAS, WORC's ***Oil and Gas Industry Responsibility Petition*** proposes that the BLM:

- Adopt better reclamation standards, plans and cost estimates;
- Set realistic bond amounts that truly cover clean up costs; and
- Improve inspection, monitoring and enforcement programs.

WHEREAS, WORC's ***Oil and Gas Industry Responsibility Petition*** would help:

- Prevent bad actor oil and gas companies from shifting development costs onto the backs of taxpayers and landowners;
- Protect farm and ranch land;
- Ensure responsible development of oil and gas;
- Give landowners tools to prevent damages to their land; and
- Ensure fiscal responsibility.

THEREFORE BE IT RESOLVED, that _____ supports ***The Oil and Gas Industry Responsibility Petition***.