



FACT SHEET

APRIL 2007

SUPPORT H.R. 1180 THE WESTERN WATERS AND FARM LANDS PROTECTION ACT

Tens of thousands of new oil, gas and coalbed methane wells have been sited in Colorado, Montana, North Dakota, New Mexico, Wyoming and other parts of the West, and many more are planned. Millions of acres of land across the West 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.

Energy development can and must be done right, without polluting our water or leaving landowners and taxpayers with the costs of cleanup. H.R. 1180 responds to this need. The bill, introduced by Representative Mark Udall (D-CO), will help assure that our precious water resources are safeguarded during the course of oil and gas development. The bill will also help reduce potential conflicts between the development of federally-owned oil and gas and the interests of those who own the surface estate, and provide for appropriate reclamation of affected lands.

Title I—Protection of Water Resources

Coalbed methane production involves pumping billions of gallons of groundwater from aquifers in coal seams, releasing the pressure to let out the methane. This pumping lowers aquifer levels, produces saline water that can be toxic to crops and reduce soil productivity, and produces more water than can be consumed by livestock or otherwise put to good use in many areas. During oil, gas and coalbed methane drilling, rock formations are often fractured with toxic chemicals to stimulate increased production, which may contaminate water supplies.

H.R. 1180 will require that oil and gas operators developing federally-owned minerals:

- Replace water supplies lost or damaged as a result of drilling operations,
- Ensure that wastewater reinjected into the ground be reinjected into the same aquifer, or into an aquifer of equal or lesser quality, to prevent reinjected water from degrading higher quality aquifers, and
- Submit a plan which details how they will protect the quality and quantity of surface and groundwater, provide alternate sources of water in cases when water is not protected, protect the rights of present users of water, and identify any beneficial use agreements.

Title II—Surface Owner Protection

Much federally-owned oil, gas and coalbed methane in the West lies beneath private land. Under current law, companies that lease federal oil and gas have a legal right to extract the minerals, and landowners have very little power to ensure responsible development on their land. Requirements that

developers consult with landowners about the placement of roads, pipelines, power lines, and noisy compressor stations, or about the disposal of millions of gallons of poor quality wastewater are weak and poorly enforced. Thus, families with several generations' worth of time, money, and labor invested in their farms and ranches face serious damages to their property and way of life.

H.R. 1180 will help ensure responsible oil and gas development by empowering landowners to have a real say in the course of mineral development on their land. Under H.R. 1180:

- The Secretary of Interior may not authorize exploration and drilling on split estate lands until the operator has signed a surface use agreement with the surface owner. If an agreement cannot be reached through negotiation, the bill provides for an alternative dispute mechanism (arbitration) to ensure fairness.
- Surface use agreements shall provide for reasonable use of the site, accommodation of the surface owner to the maximum extent possible, reclamation of the site to a condition capable of supporting the uses the lands were capable of supporting prior to exploration and drilling, and compensation of the surface owner for damages.
- The Secretary may issue permits without a surface use agreement should the dispute resolution process fail, but the permits would include the same kinds of protections required in a surface use agreement, and operators would post bonds to ensure compensation to surface owners for any damages to their land.
- The Secretary shall provide surface owners with an opportunity to comment on plans of operations,

participate in bond level determinations and bond release proceedings, object to proposed bond releases, and request and participate in on-site inspections when they have reason to believe there is a violation of plans of operations.

- The Secretary shall notify surface owners of leasing decisions at least 45 days in advance of lease sales, and keep landowners informed of activity on leases issued.

Title III—Reclamation and Bonding

H.R. 1180 will ensure that land affected by the development of federally-owned oil and gas is reclaimed by companies, and not taxpayers. The bill will:

- Require reclamation of land so that it is capable of supporting the same uses it was capable of supporting before drilling.
- Require that all reclamation efforts proceed in an environmentally sound manner and as contemporaneously as practicable with drilling operations.
- Require a detailed reclamation plan to be submitted with the plan of operations.
- Require a full bond to cover the costs of reclaiming the permit area and assure completion of reclamation if that work has to be performed by the Secretary in the event of forfeiture.

Title IV—Abandoned Wells

H.R. 1180 will establish a program to clean up abandoned oil and gas wells on federal lands, as well as those on private lands overlying federal oil and gas.



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Endorse the Western Waters and Surface Owners Protection Act

For more information, or to endorse H.R. 1180, go to www.worc.org, or contact Sara Kendall at 202-547-7040 or dc@worc.org.