



Senate Chamber
State of Colorado
Denver

February 2, 2017

The Honorable Cory Gardner
United States Senate
354 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Michael Bennet
United States Senate
261 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Gardner and Senator Bennet:

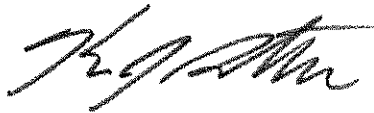
On behalf of the Colorado Senate Majority, we are writing to express our strong support for use of the Congressional Review Act (CRA) to repeal the Bureau of Land Management's (BLM) Waste Production, Production Subject to Royalties, and Resource Conservation Rule, otherwise known as the BLM Methane Venting and Flaring Rule.

BLM claims the rule will result in "increased opportunities for royalties," but have continuously failed to quantify the increases in royalties associated with capture of fugitive methane. Our duty to our constituents is to ensure their best interest and this rule provides a great deal of apprehension regarding the many Colorado Programs that are directly impacted by royalties and severance tax revenues, or lack thereof with this rule in place. With the economic downturn the industry has faced over the past few years, Colorado programs, heavily funded by oil and gas severance taxes, schools being one of them, have already been hit hard. The BLM Methane Venting and Flaring Rule could impose additional capital costs upon operators in a time when operators are facing marginal production and likely cannot afford those costs. It is clear in many cases operators will be forced to prematurely abandon wells, consequently reducing royalties to the Federal government and severance tax to the States. We will not stand for additional shortages in these types of funding due to a flawed rule recklessly put in place in the last days of the Obama administration.

In addition, to add a flawed regulation to an industry that is already continuously striving to achieve minimal environmental impact through improved technology coupled with the already stringent regulations the industry faces, Colorado's regulations being some of the toughest, is not only a duplicative effort, but an unnecessary one at that.

We feel strongly Congress should repeal the BLM methane rule. We appreciate the opportunity to comment and please feel free to contact us with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin Grantham". The signature is fluid and cursive, with the first name being more prominent.

Senate President Kevin Grantham

A handwritten signature in black ink, appearing to read "Jerry Sonnenberg". The signature is highly stylized and cursive, with a large, sweeping initial letter.

Senate Pro Tempore Jerry Sonnenberg

A handwritten signature in black ink, appearing to read "Ray Scott". The signature is cursive and somewhat compact, with a large initial letter.

Senator Ray Scott, Chair, Energy Select Committee