

RIO BLANCO COUNTY BOARD OF COUNTY COMMISSIONERS COUNTY ADMIN BUILDING, 200 MAIN P.O. BOX I MEEKER, COLORADO 81641 970-878-9430

April 20, 2016

COMMITTEE ON NATURAL RESOURCES
Subcommittee on Energy and Mineral Resources
April 27, 2016, 10:00 a.m.
Bureau of Land Management's Regulatory
Overreach in to Methane Emissions Regulation

Committee on Natural Resources
Subcommittee on Energy and Mineral Resources
1324 Longworth House Office Building
Washington, DC 20515

Dear Chairman Lamborn and Honorable Subcommittee Representatives:

My name is Shawn J. Bolton, Chairman of the Board of County Commissioners of Rio Blanco County Colorado. Thank you for allowing me this opportunity to speak with you about the BLM's Regulatory Overreach into Methane Emissions Regulation and how it impacts not only the people of Rio Blanco County, but the people of the State of Colorado.

Rio Blanco County has approximately 6,000 residents. Rio Blanco County covers approximately 3,300 square miles in northwest Colorado. Seventy-Five percent (75%) of our County's land is Federal land. Due to the large amount of federal land, government legislation, polices or procedures directly impact our economic prosperity. The barrage of BLM regulations coming out of Washington and our local field office is negatively affecting Rio Blanco County's economy and directly affects the governmental services we provide to our residents. The BLM Methane Emissions Regulation is an unnecessary, redundant policy which ignores current emission reduction actions already being taken by our energy partners.

Eighty-Five percent (85%) of Rio Blanco County's ad valorem tax valuation comes from the oil and gas extraction industry. The generation of these revenues is critical to maintaining the health and wellbeing of the residents of Rio Blanco County. The revenues generated primarily by the energy industry, are used to develop and maintain over one thousand miles of roads and bridges, provide a Sheriff's Department for the security and safety of the County residents and provide matching funds for Health and Human Services programs required by the Federal Government and/or the State of Colorado.

In the past year, the BLM has hit our County with an onslaught of mandates, policies and directives. Specifically, Rio Blanco County has had to respond to the following issues: Methane Emissions, Sage Grouse protection issues, endangered or threatened species such as the Bladder Pod, the Twin Pod and the Beardtongue Penstemon, Wild Horse Management, Cultural Resources Management, and most recently, the proposed BLM 2.0. The BLM has a team of lawyers, legal and support staff and may take several months or even years to write

BLM policies and procedures. We have one Natural Resources employee who must respond to these voluminous documents within a Public Comment period of only 60 to 90 days.

The BLM is consistently adding layers of bureaucracy to handicap oil and gas producers. It appears that the BLM's focus is to drive more and more operators from federal lands. There is a direct correlation between the impact of the BLM's overreaching, needless regulations and energy production on federal lands, which already lags far behind production on privately held lands. Additionally, the BLM fails to realize how its actions negatively affect rural communities across the country. Mesa County, Colorado, due to the decrease in oil and gas generated revenues, is projecting a shortfall of at least three million dollars. Garfield County, Colorado derives 65% of its valuations from oil and gas production.

The energy producers in Colorado generate approximately One Hundred Sixty Million in royalty revenues, over Forty Million, of which comes from Rio Blanco County. Let me repeat that, out of One Hundred and Forty Million Dollars, Forty Million comes from Rio Blanco. The remaining amount comes from Garfield County and other counties. These funds benefit all residents in the State of Colorado not just the producing counties. The revenues collected from our oil and gas partners in Colorado help to build infrastructure across the state. Without these revenues, the counties as well as the State of Colorado will see dramatic budget shortfalls.

We fully understand that not everyone likes the fossil fuel industry, but what we want you to understand is that over regulation and overreaching policies are stifling our ability to maintain a healthy, productive economy. We should be drawing energy companies to the federal lands in our counties, not chasing them away to private lands, where they are less regulated.

We know the BLM does not want to destroy our oil and gas industry, kill jobs, and handicap our economy, but the BLM must seriously consider the repercussions of overreaching policies. We support protection of our air, land and water. It's obvious we have done this under the existing policies. Our moose, elk and deer herds are healthy and thriving. Our streams are clean and clear. We are proud of our commitment as well as the efforts of our energy partners in protecting the environment in Rio Blanco County. The BLM's proposed Methane Emissions policy is a needless additional regulation, which if passed will significantly impact the economies of Western Colorado cities and counties and the State of Colorado.

Respectfully,

Shawn J. Bolton, Chairman

Rio Blanco County Board of County Commissioners