

## **Commissioner Gwen Lachelt**



April 24, 2016

The Honorable Doug Lamborn, Chairman United States Representative Subcommittee on Energy and Mineral Resources 1324 Longworth House Office Building Washington, DC 20515

Chairman, ranking member, esteemed members of the Committee:

Thank you for the opportunity to speak with you today about the Bureau of Land Management's proposal to limit natural gas waste from oil and gas development on federal and tribal land. As a County Commissioner for La Plata County in Colorado, I know about oil and gas development and the positive and negative impacts it can have on communities and residents. In my county we have more than 3,300 wells, with many of them on tribal and public land and thousands more in the Four Corners region of the San Juan Basin. While oil and gas development can provide jobs for our residents, we must ensure it is done in a safe and responsible manner. We cannot allow the waste of these resources, which belong to all Americans.

As a taxpayer, a mother, and a public official elected to protect the health, safety, welfare, and budget of the residents of La Plata County, it is unacceptable that we currently allow the unfettered venting and flaring of natural gas. These practices result in the loss of millions of dollars in state and federal revenue; money that has a real and significant impact in La Plata County. Fortunately, this administration has drafted regulations that attempt to resolve these problems.

Overall, the proposal put forward by the Bureau of Land Management is an effective one. I believe these guidelines are a significant step in the right direction. We need to ensure that as little natural gas as possible is wasted. Wasted gas is lost money for the American taxpayers and the taxpayers of my state, as well as a public health hazard for citizens nearby.

Through statutes that Congress has passed, like the Mineral Leasing Act and the Federal Land Policy and Management Act, the BLM has an obligation to ensure that our shared resources are used for the public good, not wasted. It is vital that this happens for the people that own our public lands: all of us. By reducing this waste, local governments will see increased revenue from royalties that can go to important necessities, like education, roads, and emergency services.

If implemented, this rule would have the added benefit of safeguarding public health. For example, Wyoming's Upper Green River Basin, which has a population far less than 100,000 people, was designated a non-attainment area due to pollution from oil and gas development, mainly on federal land. In response, the state put in place regional guidelines to reduce emissions, and pollution in the basin decreased dramatically. In the recently released "State of the Air" report from the American Lung Association, Sublette County in Wyoming has a "C" for high-ozone days, which is a marked improvement from the "F" the same county got in 2012.

The problem is that many states have neglected to put forward limits on emissions from oil and gas operations; and many states that have enacted guidelines have done so in a less than comprehensive manner. In the San Juan Basin of northwest New Mexico and southwest Colorado, we have about 40,000 oil and gas wells. According to NOAA and NASA, our region is home to the highest concentrations of atmospheric methane in the country. We are the reddest spot on the map! I don't want to be the reddest spot on the map anymore and this rule can help solve this problem, especially as EPA has recently determined that methane from oil and gas development is more prevalent than previously thought. It makes sense that regulations regarding the land and resources owned by all Americans should be put forward by the federal government, not governed ad hoc, by individual states. BLM has been working with states and other federal agencies to apply best practices to federal land management. These efforts will make sure that energy development on federal land is subject to the highest standards and consistent with other federal and state guidelines.

One state that has stepped up is my home state of Colorado. In fact, Governor Hickenlooper and the oil and gas industry came together to establish the first ever statewide regulations limiting methane emissions from oil and gas facilities. These regulations, which include strong leak detection and repair guidelines, have been extremely successful. According to a survey of operators in the state published by the Center for Methane Emissions Solutions, Colorado's rules have reduced emissions, improved worker safety, and increased the amount of product being sent to market, benefitting the people of Colorado and the oil and gas industry as a whole.

I also support these regulations because of their potential to create jobs and stimulate the local economy. Rules similar to the one proposed by BLM have created a market for economicallyviable methane capture and leak detection technologies. As a result, companies want to manufacture and sell this equipment here in the United States. In fact, four of these companies, Well Master Corporation, Apogee Scientific, Nichols-Given Associates and PCS Ferguson, have located their headquarters along with multiple manufacturing and sales facilities in Colorado and another company is headquartered just over the state line in Farmington, New Mexico. These are American businesses created with American ingenuity, ready to supply a market in desperate need of this technology.

These are some of the many reasons why local elected officials like myself support the administration's approach to reducing methane waste. This includes dozens of local elected officials from across Colorado and New Mexico, including the Park County Board of County Commissioners in Colorado and Rio Arriba County in New Mexico. In fact, according to a recent poll, 80% of all westerners, an overwhelming majority, support reducing federal oil and gas waste.

This proposal is common sense. Everyone knows that you shouldn't waste when you don't have to. And we don't have to. For a penny per MCF (or a thousand cubic feet) of natural gas produced, we can significantly cut the amount of gas that is currently wasted. Smart rules, like the ones proposed by the BLM, will help taxpayers, clean up our air, and create jobs. It's a winwin for everyone.

Thank you again for the opportunity to speak, and I look forward to taking your questions.