

Bennet floats multibillion-dollar orphan well cleanup fund

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Published: Wednesday, September 23, 2020



Sen. Michael Bennet (D-Colo.) during a hearing of the Senate Democrats' special climate panel last year. Francis Chung/E&E News

Sen. Michael Bennet is proposing to create a multibillion-dollar cleanup fund for orphaned oil and gas wells, while also boosting bonding requirements and local say in managing public lands.

Legislation offered by the Colorado Democrat this week, the "[Oil and Gas Bonding Reform and Orphaned Well Remediation Act](#)," would establish an orphaned well fund to help states, tribes and federal agencies remediate public and private lands.

The fund would be overseen by the Interior Department, with input from the Agriculture and Energy departments and the Interstate Oil and Gas Compact Commission, with the goal of creating new oil and gas jobs while reducing methane emissions, according to a [summary](#).

The measure would boost individual and statewide bonding rules by \$75,000 and \$200,000, respectively, while requiring Interior to regularly review and update the requirements, including by adjusting for inflation.

The bill would also establish standards for "inactivity" and cleanup, including by mandating approval of interim and final reclamation plans prior to drilling and defining what constitutes an inactive well and when cleanup must begin.

Additionally, it would create a public clearinghouse database that includes information on financial assurance, cleanup costs, orphaned and inactive wells, as well as enforcement actions.

A second Bennet [bill](#), the "Public Engagement Opportunity on Public Land Exploration (PEOPLE) Act," aims to provide more public and local input in oil and gas development on public lands.

It would require agencies to notify public lands stakeholders, including recreation groups, grazing and water interests, surface owners, and local government of upcoming management actions, according to a [summary](#).

The bill would create "straightforward" notice and public comment periods by requiring at least 90 days of notice before lease sales and 30 days of notice before approving drilling applications, lease modifications or other changes to leases.

Local governments would be provided the same opportunities to comment, while Interior would also be required to receive "consent" from federal agencies that manage the surface estate.

Additionally, the measure aims to reduce split-estate conflicts by requiring companies to strike agreements with surface owners before exploring and drilling takes place. Companies would be required to notify landowners of future drilling plans and provide financial assurance to cover possible future damages.

In a statement, Bennet said the bills "restore" local input into lease sales, holding all companies to "the same high standards," and prevent local government and taxpayers from bearing cleanup costs.

"In Colorado, our economy — from ranching to recreation — depends on multiple shared uses of our public lands," the senator said.

"This administration's approach has too often undermined that multiple-use mission, cutting Colorado out of land management decisions and leaving local governments on the hook to clean up the mess," he said. "Investing in orphan well clean up would create good-paying jobs while helping reduce pollution, restore habitat, and protect our climate."

The bills, which are [backed](#) by several Colorado local government bodies, come amid an increased focus by Democrats on orphaned wells, both for environmental and economic reasons ([E&E Daily](#), June 2).

Separately, in the House Rep. Glenn Thompson (R-Pa.) introduced legislation, H.R. 8332, this week to reauthorize an existing orphan well program.