

Wyoming Select Federal Natural Resource Management Committee Wednesday, October 6, 2023

Agenda items include: BLM Wyoming Federal Oil and Gas Leasing, Carbon Storage Projects Involving Injection of CO₂ to Federal Pore Space, Rock Springs RMP Revision, Wild Horse Management and Greater Sage-Grouse Planning.

[Introduction]: Mr. Chairman and members of the Select Federal Natural Resource Management Committee, I appreciate the invitation to appear before you today to provide information about several different BLM Wyoming programs and efforts.

Federal Oil and Gas Leasing

- BLM Wyoming has held two oil and gas lease sales so far this year, one in June and another in September. Our next sale is scheduled for November 28.
 - The June (Q2) sale offered 116 parcels covering 127,014.62 acres. In total, 67 parcels covering 69,149.39 acres sold, with total receipts of \$14,776,920.
 - The September (Q3) sale offered 81 parcels covering 67,182.78 acres. In total, 53 parcels covering 35,701.21 acres sold, with total receipts of \$13,207,883.
- The proposed November (Q4) sale currently consists of 39 parcels totaling 36,673.86 acres and is scheduled for November 28, 2023.
- The 30-day public comment period for our proposed March 2024 Oil and Gas Lease Sale (Q1) just concluded Oct. 2. This sale currently consists of 36 parcels totaling 19,140.94 acres.
- In fiscal year 2023, BLM Wyoming has approved over 550 Applications for Permit to Drill, or APDs. We've also received nearly 700 new APDs this fiscal year, and there are currently over 1,900 Federal APDs approved and available to drill by industry in Wyoming.
- As a quick reminder, in August of last year, the President signed the Inflation Reduction Act into law. This Act did change several oil and gas fiscal provisions:
 - Minimum bids for all offered parcels increased from \$2 per acre to \$10 per acre;
 - Royalty rates are now set at 16.67 percent, up from the previous 12.5 percent; and

- Rental rates are now \$3 per acre for the first 2 years, \$5 per acre for years 3 through 8, and \$15 per acres in years nine and ten. Prior to the Inflation Reduction Act, rentals rates were \$1.50 per acre for the first five years and \$2 per acre for each year thereafter.

Proposed Oil and Gas Rule

- The BLM is also proposing updates to its Onshore Oil and Gas Leasing regulations to modernize the program, ensure a balanced approach to public lands management, ensure a fair return for American taxpayers, codify new provisions from the Inflation Reduction Act and Bipartisan Infrastructure Law, and implement the reforms laid out by the Department of the Interior's Report on the Federal Oil and Gas Leasing Program.
- The proposed rule is the BLM's first comprehensive update to the Federal onshore oil and gas leasing framework since 1988.
- The BLM has not updated bonding amounts since 1960, and they no longer meet the actual costs of cleanup in the event an operator goes out of business or otherwise fails to complete required plugging and reclamation – costs that are then borne by the taxpayer.
- The Onshore Oil and Gas Leasing Rule is proposing to:
 - Increase the minimum lease bond amount from \$10,000 to \$150,000;
 - Increase the minimum statewide bond amount from \$25,000 to \$500,000;
 - Eliminate nationwide and unit operator bonds; and
 - Include additional protections for surface owners.
- The BLM held five public meetings and accepted public comments for 60 days.
- I'm happy to answer any questions you may have. Thank you.

Carbon Storage Projects Involving Injection of CO2 to Federal Pore Space

- Carbon Capture, Utilization, and Storage refers to a set of technologies and practices that capture CO2 from emission point sources such as oil and gas production, coal-and-gas-fired powerplants, and industrial processes, as well as direct atmospheric capture for the utilization or permanent geologic sequestration of the CO2.
- This program is part of a greater goal to reduce CO2 and other greenhouse gas emissions through capture and sequestration into deep geologic formations, as well as a part of the President's efforts to combat climate change and reach net-zero emissions economy-wide

by 2050.

- The BLM is currently handling the authorization of carbon sequestration projects on public land through rights-of-way (ROW) under Title V of the Federal Land Policy and Management Act (FLPMA), as amended.
 - Under Wyoming Statute (31-1-152), the ownership of pore space is vested with the surface owner. The BLM manages the Federal pore space in all areas below BLM-Administered surface estate.
 - The BLM uses its regulations at 43 CFR Part 2800 to issue ROWs to geologically sequester CO₂ in BLM-administered Federal pore space, including for necessary infrastructure and for the use of the Federal pore space itself.
 - The BLM has issued an Instruction Memorandum, IM 2022 – 041 (“National Policy for the Right-of-Way Authorizations Necessary for Site Characterization, Capture, Transportation, Injection, and Permanent Geologic Sequestration of Carbon Dioxide in Connection with Carbon Sequestration Projects”), which addresses some of the BLM’s procedures for considering a pore space right-of-way application.
 - BLM ROWs for CO₂ sequestration and storage are issued for a minimum 30-year renewable term, unless a shorter term is requested by the applicant.
- BLM Wyoming currently has three pending carbon sequestration pore space rights-of-way applications:
 - Tallgrass High Plains Carbon Storage LLC’s Southeast Wyoming project (located in the BLM-Rawlins Field Office);
 - Moxa Carbon Storage LLC’s Southwest Wyoming project (located in the BLM-Kemmerer Field Office & BLM-Rock Springs Field Office); and
 - Pond Field LLC’s Sweetwater Carbon Storage Hub project (located in the BLM-Kemmerer Field Office).
- Pore space ROW applications require a Plan of Development to be submitted to the BLM, which includes information about the planned sequence and timing of operations.
- The BLM will require that pore space ROW holders avoid interference with Federal mineral exploration and development operations and prevent damage to all other potentially recoverable mineral resources and other surface and subsurface authorized uses.
- All rights-of-way holders for CO₂ sequestration projects on public lands must comply with applicable laws, including obtaining all necessary permits under the underground

injection control program to comply with the Safe Drinking Water Act of 1974.

- The Wyoming Department of Environment Quality (DEQ) has delegated authority for Underground Injection Control Class 6 wells within the State of Wyoming.
 - BLM Wyoming is actively engaged with DEQ on review of Underground Injection Control Class 6 wells that involve BLM-administered Federal pore space.
 - State of Wyoming agencies, including DEQ, may serve as cooperating agencies on BLM NEPA compliance documents prepared for pore space rights-of-way applications submitted to the BLM.
- I'm happy to answer any questions you may have. Thank you.

Rock Springs RMP Revision

- On August 18, 2023, the Bureau of Land Management started a 90-day public comment period for the Rock Springs Field Office Draft Resource Management Plan (RMP) and associated Draft Environmental Impact Statement (EIS) covering 3.6 million acres of public lands and 3.7 million acres of Federal mineral estate in portions of Lincoln, Sweetwater, Uinta, Sublette and Fremont counties in southwest Wyoming. The comment period closes Nov. 16, 2023.
- In the 26 years since the Record of Decision (ROD) for the existing Green River RMP was signed (August 1997), new data has become available, new policies established, and old policies revised. This, along with emerging issues and management concerns (including renewable energy, transmission corridors and changing circumstances), has resulted in the need to revise the existing resource management plan.
- The purpose of the land use plan is to establish guidance, objectives, policies, and management actions for public lands administered by the Rock Springs Field Office.
- The plan is comprehensive and will resolve and address issues within the RSFO jurisdictional boundaries which are identified through agency, interagency, and public participation.
- The plan also reflects current BLM policy and guidance on all resources and resource uses, which have changed considerably since the development of the existing plan.
- The Rock Springs RMP revision process began in 2011, when the BLM initiated public scoping. A second scoping period began in September 2013, in response to a Consent Decree ruling from the U.S. District Court of Wyoming based on a settlement agreement regarding management of wild horses within the checkerboard land pattern (addressed separately now as the Wild Horse & Burro RMP).

- Some of the key issues evaluated in the Rock Springs Draft RMP and EIS are special designations and management areas, mineral resource restrictions and closures, and renewable energy.
- Greater Sage-Grouse management, including all actions related to management of Priority Habitat Management Areas and General Habitat Management Areas, are being addressed under separate ongoing amendment(s) and are not included as planning issues for this RMP.
- The Preferred Alternative is Alternative B. This alternative emphasizes protecting natural resource values.
 - Under this alternative, the RMP would designate approximately 2 million acres of special management areas (1.6 mil acres ACECs, 400K Wilderness Study Areas, Management Areas, Other Features) out of the 3.7 million acres managed by the Rock Springs Field Office.
- For the most part and with some stipulations, Alternative B would allow mineral development within the remaining 1.7 million acres of the Rock Springs Field Office.
- The BLM held three public meetings in September to discuss and solicit feedback on the proposed alternative for this RMP:
 - Tuesday, September 19, at the Lyman Branch Library;
 - Tuesday, September 26, at Big Piney/Marbleton Town Hall; and
 - Wednesday, September 27, at the BLM Rock Springs Field Office.
- We will be compiling and reviewing all the public feedback that we receive through the public meetings and written comments, and will leverage it to shape our decision points moving forward in the NEPA process.
- The BLM’s planning regulations require the agency to identify a preferred alternative, as we have here. However, the final plan can incorporate aspects of any of the alternatives presented in the draft. The BLM takes input received on the alternatives seriously.
- I’m happy to answer any questions you may have. Thank you.

Greater Sage-Grouse Planning [IF ASKED]

- BLM Wyoming values our partnership with the State of Wyoming, Wyoming’s Sage-Grouse Implementation Team, our local working groups, and, of course, all the local governments and partners that work collaboratively on sage-grouse protection efforts.

Without these relationships both our planning and sage-grouse habitat restoration efforts would not be successful.

- The BLM is responsible for 67 million acres of sagebrush habitat across the nation. In Wyoming, the BLM partners with the State, Federal partners, local governments, and working groups to protect sagebrush habitat across approximately 16 million acres of BLM administered lands.
- BLM Wyoming currently manages sage-grouse habitat under the land use plans adopted in 2015. Changes to those plans in 2019 have been enjoined by court order.
 - We're now working with our partners, including the western states, to complete a Draft EIS which will be made available for public review and comment.
- The Bureau's policy requires us to take proactive measures to manage sensitive species so that they do not require Federal protections (BLM Manual 6840.02.B).
- The current round of planning aims to support persistent, healthy Greater Sage-Grouse populations, consistent with BLM policy and in cooperation with state governments and other conservation partners.
- In November 2021, the BLM published a Notice of Intent to reopen the sage-grouse planning efforts across over 70 RMPs in the West, including here in Wyoming.
 - The BLM completed public scoping in February 2022 and issued a scoping report in June 2022.
- The BLM hopes to publish the Notice of Availability for the Draft EIS for this planning effort this winter, and we look forward to working with all our partners in Wyoming throughout this planning effort.
- I'm happy to answer any questions you may have. Thank you.

Wild Horse and Burro [IF ASKED]

- Under the Wild Free-Roaming Horses and Burros Act of 1971, wild horses are one of the many resources the BLM is responsible for managing.
- The goal of the Act is to protect wild horses and burros as integral parts of a thriving natural ecology in balance with other public resources.
- In Wyoming, there are currently 16 Herd Management Areas (HMA) on nearly 5 million acres. Four of the 16 HMAs overlap the checkerboard land pattern of alternating private and public lands in the southwest part of the state.

- As many of you know, BLM Wyoming released the Rock Springs and Rawlins Wild Horse and Burro Record of Decision in early May. That decision is currently under litigation, but if upheld would change the management of wild horses within those checkerboard areas.
 - Specifically, the Great Divide Basin and Salt Wells Creek Herd Management Areas would revert to Herd Areas managed for zero wild horses.
 - The portion of the Adobe Town Herd Management Area located within the Rock Springs Field Office would also revert to a Herd Area managed for zero wild horses, while the portion in the Rawlins Field Office would continue to be an HMA with a reduced Appropriate Management Level of between 259 and 536 horses.
- It is important to keep in mind that the current Rock Springs and Rawlins Wild Horse and Burro Record of Decision is a land allocation decision and does not authorize any on the ground activities or gathers in those Herd Management Areas.
- The BLM currently estimates that there are approximately 8,200 wild horses on the range in Wyoming. This is significantly higher than the high appropriate management level of 3,725 that our current Herd Management Areas can support.
- The BLM has a bait trap gather tentatively scheduled for later this year; the McCullough Peaks gather. We concluded public comment period for this gather on August 12.
 - There is the potential to conduct a helicopter gather in north Lander, but we are still awaiting confirmation of funding.
- If both the McCullough Peaks and north Lander gathers occur, the BLM estimates that up to 2,600 horses could be removed from Wyoming Herd Management Areas.
- I'll end by noting that the BLM also manages 9 different long-term holding, short-term holding, and contract training facilities in Wyoming.
 - Thanks to these facilities, along with our partners and dedicated employees, BLM Wyoming was able to place 7,793 into private care last year through adoptions and sales.
- I'd like to thank the Committee for its time and the opportunity to appear before you. I am happy to answer any questions you may have.