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BLM Washington Office
Mr. Neil Kornze – Director
1849 C Street NW, Rm. 5665
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Mr. Kornze:

By federal regulation (43 CFR 3162.3-4 Well Abandonment, Onshore Order and APD approval), the lease owner and well operator know that once an energy well is no longer producing in paying quantities the well is to be plugged, facilities and equipment removed, disturbed sites re-contoured, stored top soil administered to the area, and the site re-vegetated to near natural vegetation to include the well site, access road, and other disturbed areas associated with the well. The Bureau deliberately instructs its employees (IM No. 2012 -181) to conduct an idle-well review and data entry into the Automated Fluid Minerals Support System to document wells past 7 years of non-production. This effort to professionally abandon wells is required by regulation, improves multiple resource values, serves the public responsibly, and is professional.

Reasons to return non-productive well sites and other associated energy land disturbance activities to near natural surface conditions are numerous: Environmental as well as multiple use; it prevents potential spills from an unplugged well, soil and water contamination; and release of volatile hydrocarbons. Reclamation prevents invasive weeds and fugitive dust, provides new forage for wildlife and livestock, reduces soil erosion, and allows for a more scenic setting for humans. Air and water quality are improved, erosion is reduced, wildlife have forage and cover, livestock have more forage, radiant energy is minimized into the atmosphere, and carbon sequestering is greater. Analysis of FOIA information from Utah Field Offices identified a chronic need for the Bureau to place more effort on the plugging and reclamation of idle well sites.

Please see attached: Report of oil & gas well abandonment and reclamation on federal lands administered by BLM-Utah - March 14, 2015.

As a past employee at the BLM Vernal Field Office (VFO) I became greatly concerned with the lack of oversight administered by the office in requiring and assuring appropriate and professional energy well abandonment and land reclamation by the energy industry.

As you know, BLM professional land managers are obligated to fulfill the public trust responsibility, not only to authorize land use and development for energy related resources, but also to naturalize the public lands for the citizens' post-energy use. This is the mission of the Bureau by definition ... *to sustain the health, diversity and productivity of public land for present and future generations....*

While at the VFO, I inspected hundreds of well locations for compliance. Many of these wells were idle upon my arrival (1992). Although great effort was conducted by many BLM employees for onsite inspections, file documentation, and communication with management, appropriate plugging and abandonment procedures often were not required and many wells remained idle and land unavailable for other values. VFO management's concern in reclamation was not the same as in permitting land use. This lack of priority of land "health" is a failure to serve the American public.

VFO management focused heavily on land use permitting, specifically energy development for the permitting of oil & gas wells through their Application for Permit to Drill (APD) process. The large effort to inspect energy operations takes considerable time, energy, and expense. It requires visits, documentation, and enforcement for idle wells to have the appropriate plugging, facility removal, and reclamation of disturbed areas, if the energy operator does not. However this effort was often wasted due to the lack of importance office management placed upon compliance assurance, assessment of penalties, bond confiscation, (43 CFR 3401) and/or lease cancellation (43 CFR3108.3).

Upon retirement I requested data on non-producing well locations, greater than 10 years in non-production, which had not been required by the VFO to be abandoned, plugged, and the land reclaimed. In November 2012 I sent a FOIA request to the Vernal Field Office asking for this information. The requested information identified 355 wells located on or administered by the Vernal Field Office that had been in non-production (1965 thru 2002) for more than ten years. I followed through with FOIA requests for the same information from the Moab Field Office (*March 2013*) and the Price Field Office (*April 2013*). My analysis of the received information showed similar concerns from these two offices although not to the extent of the Vernal Office.

Each request asked generally the same question: What were the number of non-producing oil and gas wells that were within the authority of the land management office that have not produced for more than ten years? The FOIA requested to know the well name, lease number, legal location, and company name of all wells that have not produced for more than 10 years and had not been plugged and abandoned (P&A). The information was to include non-producing wells on federal, tribal and other lands, where the land management office has authority for these nonproducing wells. The 10 years of non-

production was an arbitrary time; however, by experience a more than reasonable time. It is known that energy operators do at times place a well into non-production status for short periods of time for multiple reasons. These reasons can include: technical, energy field management, or energy prices. However there are procedures for Temporary Abandonment and Shut-In wells which, by design, are to be short term. After five years of not producing, especially during periods of high-energy prices, the operator should begin to consider and initiate legal and responsible plug and abandonment procedures. The Bureau through its own Instruction Memorandum (IM No. 2012 -181) identifies 7 years of non-production for action by the land management office to assure that idle wells are having oversight to assure abandonment and reclamation and to actively inspect and document the need for plugging and abandonment.

A news report by Brian Maffly of the Salt Lake Tribune; *Utah 'high risk' oil wells among those left uninspected – June 15, 2014*; spurred my interest to request updated information from the BLM Utah State Office to include all wells administered by BLM in Utah and for the information to be complete and current. Since my earlier three FOIA experiences were problematic due to the agency's imposition of costs not required by FOIA law, I solicited assistance from Public Employees for Environmental Responsibility (PEER). Their generous and professional assistance has been rewarding and the recognition of their organization by the Bureau appears to have assured that billing was not an issue of concern with this most recent request.

PEER submitted this latest FOIA request in July 2014. In September 2014 the information was received but was lacking the information requested. PEER worked with the Utah State Office to ensure that it provided the information sought. In February 2015 the FOIA request was completed with no fee.

In May of 2013 data estimated 722 wells older than 10 years in non-production. The information received in February 2015 from the Utah State Office identified 527 wells older than 10 years in non-production. Two specific wells are representative of the chronic nature of the problem:

Seep Ridge #1; Lease #UTU-63048-B & Seep Ridge #3; Lease #U-10178-A

These two wells received numerous inspection visits and follow through for compliance by myself and other Bureau inspectors employed by BLM. During all those years the decision makers of the office could not appeal to the operator to plug and reclaim either of these wells responsibly.

Calculations are just that: data received, analyzed, and computed. The point of my inquiry is not to argue the exact number of wells or the calculation of disturbed areas of un-reclaimed land. I won't even argue a ten-year date of non-production as the time for final plugging and return of lands to near natural contours and vegetation. My experience, however, is that the professional nature of the Bureau is failing in its mission of land management, professionalism, and oversight. I ask you to place higher interest in land healing than in land use permitting. The leaseholder and operator have one overriding concern and that is to profit. It is my experience they will not self-regulate, and that the Bureau's oversight is necessary to assure compliance and land health.

I ask you to direct all office administrators and staff where energy related activities are being conducted on Bureau administered land to plug, abandon, and reclaim the land where these non-producing wells are located; to remove related infrastructure; and to return the land to a natural vegetative state: *... to sustain the health, diversity and productivity of public land for present and future generations....*

Sincerely,

Stan Olmstead

cc: Juan Palma – Utah State Director