August 24, 2026

Mr. Doug Burgum
Secretary of the Interior

Mr. Stevan Pearce
Director, Bureau of Land Management
U.S. Department of the Interior
1849 C Street, NW
Washington, DC 20240

EarthRights International Public Comments on Bureau of Land Management Oil and Gas Leasing Proposed Rule

Docket No. BLM-2025-0037; A2407-014-004-065516; #O2509-014-004-125222; 256 LLHQ310000 L13100000.PP0000

Submitted electronically via regulations.gov

Dear Secretary Burgum and Director Pearce:

EarthRights International writes to comment on the risks posed by the Bureau of Land Management's (BLM) proposed rule on oil and gas leasing. We are an environmental and human rights non-profit organization, and we represent and/or work with landowners, communities, and Tribes across the United States, including those negatively impacted by abandoned and orphaned wells. As such, we write to oppose the proposed rule, particularly given the proposed reduction in bonding levels in Section 31.04.1 and proposed limiting of public participation in Section 3120.42. If enacted, we are concerned this rule would push oil and gas industry cleanup costs onto everyday Americans—landowners, local communities, and taxpayers—while severely limiting their ability to provide input as new leases are proposed.

Proposed Bond Levels May Risk Harm to Health, Safety, Environment, and Taxpayers

Section 3104.1 seeks to reduce the minimum oil and gas bond amounts for operations on federal leases from $150,000 for individual lease bonds and $500,000 for statewide bonds to $10,000 for individual lease bonds and $25,000 for statewide bonds. The current levels already fall short of the legal requirement under the Mineral Leasing Act, which requires that the Secretary of the Interior set standards that "ensure that an adequate bond, surety, or other financial arrangement" is in place to complete reclamation and restoration after oil and gas well operations on the lease cease.[1] It is our concern that BLM's proposed change poses a significant additional risk to landowners and taxpayers, and that it would incentivize operators to abandon and orphan wells rather than remediate them, while leaving the federal government with insufficient funds to carry out this work.

[1] 30 U.S.C. § 226 (n.d.). Legal Information Institute, Cornell Law School. https://www.law.cornell.edu/uscode/text/30/226

We believe the proposed bonding levels, $10,000 for individual lease bonds and $25,000 for statewide bonds, are patently insufficient. A 2019 GAO report found that the bonding levels that this rule seeks to return to were insufficient for covering reclamation costs.[2] The difference between the proposed bonding levels and the actual cost of plugging wells are evident from recorded BLM costs over the past 5 years. BLM reportedly spent $157,000 to $182,000 each to plug wells in 2021, and received over $376,000 per well from Infrastructure Investment and Jobs Act (IIJA) well-plugging federal funds in 2025, indicating that the cost of plugging orphaned wells can be 18 or more times higher than the $10,000 to $25,000 bonding requirements BLM is proposing.[3]

Excessively low bonding levels may create risks that operators lacking sufficient capital to plug and remediate well sites will operate and subsequently abandon wells, or that operators able to pay for plugging and remediation will find it more economical to walk away.[4] The proposed rule, in reference to current bonding rates, states that "many small operators may not have the necessary creditworthiness to obtain bonds at reasonable rates, making it difficult for them to secure the necessary bonds were they to remain at the higher rates." This ignores the corresponding implication that an operator unable to obtain a bond for plugging and remediation costs is likely unable to have sufficient capital to complete legally required plugging and remediation duties, while those that have sufficient capital may find it more economical to idle the well, or to abandon the well and instead allow BLM to seize the bond. If an operator abandons a well and BLM is unable to enforce the operator's plugging obligations, those responsibilities may fall to BLM and its orphaned well program.[5] Seizing the $10,000 to $25,000 bond will likely only cover a fraction of what is required to plug and remediate the well site, leaving the remainder of the cost burden on taxpayers. BLM already faces the task of plugging over 15,000 orphaned wells, and should not risk growing this number at taxpayers' expense.[6]

Orphaned and abandoned wells may not only present a threat to taxpayers, but to local communities. It has been documented that unplugged wells can emit methane and carcinogenic volatile organic compounds (VOCs) into the air, leach arsenic and other metals into the soil and groundwater, and even

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[2] U.S. Government Accountability Office. (2019, September 18). *Oil and gas: Bureau of Land Management should address risks from insufficient bonds to reclaim wells* (GAO-19-615). https://www.gao.gov/products/gao-19-615

[3] Howard, M. (2026, February 19). *Unplugged liabilities: The risks to states of rolling back oil and gas well bonding rules*. The State Energy & Environmental Impact Center. https://stateimpactcenter.org/insights/unplugged-liabilities-the-risks-to-states-of-rolling-back-oil-and-gas-well-bonding-rules; U.S. Department of the Interior, Orphaned Wells Program Office. (2025, November). *Orphaned Wells Program: FY 2025 annual report to Congress*. https://www.doi.gov/sites/default/files/documents/2025-11/fy-2025-orphaned-wells-congressional-report.pdf

[4] Boomhower, J. (2019). Drilling like there's no tomorrow: Bankruptcy, insurance, and environmental risk. *American Economic Review*, *109*(2), 391–426. https://doi.org/10.1257/aer.20160346; U.S. Government Accountability Office. (2019, September 18). *Oil and gas: Bureau of Land Management should address risks from insufficient bonds to reclaim wells* (GAO-19-615). https://www.gao.gov/products/gao-19-615

[5] Orphaned Well Site Plugging, Remediation, and Restoration, 42 U.S.C. § 15907 (2021). https://www.law.cornell.edu/uscode/text/42/15907

[6] Croft, T. (2024, December 6). *Tackling the legacy of orphaned wells: The Federal Orphaned Well Program in action*. Bureau of Land Management. https://www.blm.gov/blog/2024-12-06/tackling-legacy-orphaned-wells-federal-orphaned-well-program-action

explode due to a buildup of gas, posing long-term environmental, health, and safety concerns.[7] These threats may be particularly acute near neighboring homes, schools, and communities. Furthermore, people who own or lease the land but do not own the wells on their property may face additional burdens, such as diminished property values.[8]

Limiting Public Participation May Increase Risks to Community Health and Safety

Public participation supports the ability of local communities to protect their rights and raise concerns about threats to their health and safety. It is an invaluable tool that the government has to gather information about a proposed lease or business venture and make an informed decision about what is in the public interest. Section 3120.42 seeks to eliminate 60 days of public participation in oil and gas lease sale NEPA review—by removing a 30-day scoping period and a 30-day comment period—and reduce the 30-day protest period to one 10-day protest period.[9] If implemented, members of the public, including local land owners, small businesses, civil society, and concerned citizens, would be afforded far less input than they currently are, thereby limiting their ability to contribute valuable information as a review is being carried out and significantly increasing the risks of the proposed lease sales. Reducing public participation threatens to leave BLM less prepared to address harms when they do arise.

In consideration of the communities and partners we work with, EarthRights International urges BLM to revise the proposed rule to increase the current bonding requirements or otherwise require adequate financial assurance for oil and gas leases, and to maintain and strengthen public participation through the oil and gas lease process. Doing so is in the long-term financial, health, and safety interests of BLM, taxpayers, local communities, and the well operators themselves.

Sincerely,
Irina Bukharin
Policy Advisor
EarthRights International

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[7] Williams, J. P., Regehr, A., & Kang, M. (2021). Methane emissions from abandoned oil and gas wells in Canada and the United States. *Environmental Science & Technology, 55*(1), 563–570. https://doi.org/10.1021/acs.est.0c04265; DiGiulio, D. C., Rossi, R. J., Lebel, E. D., Bilsback, K. R., Michanowicz, D. R., & Shonkoff, S. B. C. (2023). Chemical characterization of natural gas leaking from abandoned oil and gas wells in western Pennsylvania. *ACS Omega, 8*(22), 19443–19454. https://doi.org/10.1021/acsomega.3c00676; Lucas, M. (2025, November 6). *Defunct Pennsylvania oil and gas wells may leak methane, metals into water*. Penn State University. https://www.psu.edu/news/earth-and-mineral-sciences/story/defunct-pennsylvania-oil-and-gas-wells-may-leak-methane-metals; Sour, G. (2025, August 26). Forest hazard: Orphan well explosion injures six people Monday morning. *Marietta Times*. https://www.mariettatimes.com/news/local-news/2025/08/forest-hazard-orphan-well-explosion-injures-six-people-monday-morning/

[8] Park, M. (2022, October 13). Abandoned "dry hole" oil wells are polluting Texas farms, ranches and groundwater. The state won't fix them. *The Texas Tribune*. https://www.texastribune.org/2022/10/13/texas-abandoned-oil-wells-railroad-commission/; Harleman, M., Weber, J. G., & Berkowitz, D. (2022). Environmental hazards and local investment: A half-century of evidence from abandoned oil and gas wells. *Journal of the Association of Environmental and Resource Economists, 9*(4), 721–753. https://doi.org/10.1086/719383

[9] Bureau of Land Management. (n.d.). *Leasing*. U.S. Department of the Interior. Retrieved August 21, 2026, from https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing