Additional Update: It is being considered in the Senate as Senate Joint Resolution 36.

Update: The resolution passed the House on the morning of Saturday, Feb 4. It will next go to the Senate.

House Joint Resolution 36 (now being considered as part of House Resolution 74)

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress disapproves the rule submitted by the Bureau of Land Management relating to "Waste Prevention, Production Subject to Royalties, and Resource Conservation" (published at 81 Fed. Reg. 83008 (November 18, 2016)), and such rule shall have no force or effect."

Late yesterday, Wyoming Rep. Liz Cheney (R) filed a resolution under the Congressional Review Act (5 U.S.C. § 802) disapproving of BLM's final rule on "Waste Prevention, Production Subject to Royalties, and Resource Conservation" in response to a concurrent resolution filed by Sen. Lisa Murkowski (R). The CRA allows Congress to render an agency's final rule invalid.

The rule, often abbreviated as the methane rule, targeted the venting or flaring of natural gas as a part of oil and gas production on public lands under BLM mineral leases. The BLM rule was published on November 18, 2016, and was supposed to go into effect January 17, 2017. The rule, initiated in 2013, was a targeted solution to the release of methane at these facilities. The rule was promulgated pursuant to the Mineral Leasing Act of 1920 (MLA), which requires the BLM to ensure that lessees "use all reasonable precautions to prevent waste of oil or gas developed in the land," 30 U.S.C. 225, and that leases include "a provision that such rules . . . for the prevention of undue waste as may be prescribed by [the] Secretary shall be observed," *id.* at § 187.

The methane rule defined when flared gas would qualify as waste, and would impose royalties on the waste. The rule focuses on several points in the oil and gas production process where waste-prevention actions are most effective and least costly: venting associated with development oil wells, gas leaks from equipment at the well site or elsewhere on the lease, operation of high-bleed technologies, gas emissions from storage vessels, downhole well maintenance and liquids unloading, and well drilling and completions.

The impact of the methane rule would have been significant. Methane is a greenhouse gas 25 times more powerful than carbon dioxide. In the 5 years prior to the rule, oil and gas

producers on public and Indian lands vented, flared and leaked about 375 billion cubic feet (Bcf) of natural gas—<u>enough gas to supply about 5.1 million households for a year</u>. Overall, the rule would have reduced flaring by an estimated 41 – 60 percent and venting by roughly 44 – 46 percent (compared to 2013 rates).

If the rule is successfully disapproved of using the CRA, the BLM will be prevented from repromulgating a similar rule. With the administration's promises to issue additional leases on BLM, the flaring problem is only likely to continue, if not increase.

If you want to contact your Representative on this resolution, check this <u>post</u> for resources and advice.

Emily Renda researched and drafted this post.