



August 15, 2023

U.S. Department of the Interior
Bureau of Land Management
Office of the Director - 630
1849 C St. NW, Room 5646
Washington, DC 20240

Re: Request for Extension of Public Comment Period on the Fluid Mineral Leases and Leasing Process Proposed Rule (RIN 1004–AE80)

Director Stone-Manning:

The American Petroleum Institute (“API”) is joined by the American Exploration and Production Council (“AXPC”), Alaska Oil and Gas Association, the New Mexico Oil and Gas Association (“NMOGA”), the Petroleum Association of Oklahoma, the Petroleum Association of Wyoming, the Utah Petroleum Association and the Western Energy Alliance, (collectively, the “Associations”) together echo the extension request previously made by the Independent Petroleum Association of America (“IPAA”) to extend by 90 days public comment period for the Proposed Rule on Fluid Mineral Leases and the Leasing Process (“Proposed Rule”).

The comment period was opened by publication of the proposed rule in the Federal Register on July 24, 2023 and is set to close on September 22, 2023. We believe that an extension is warranted by the substantial changes outlined in the proposed rules, the need to compare this rule carefully with other recent efforts proposed by the Administration, and the coordination challenges that accompany vacations during the August recess. Additional time is necessary to develop the type of thorough, meaningful, and constructive comments that will lead to a durable and effective final rule.

About the Associations

API is a national trade association representing over 600 member companies involved in all aspects of the oil and natural gas industry. API's members include producers, refiners, suppliers, pipeline operators, and marine transporters, as well as service and supply companies that support all segments of the industry. API member companies are leaders of a technology-driven industry that supplies most of America's energy, supports more than 9.8 million jobs and 8% of the U.S. economy, and since 2000 has invested nearly \$2 trillion in U.S. capital projects to advance all forms of energy, including alternatives. API member companies have a direct interest in how the BLM regulations, as they hold valid existing leases and are interested in future oil and natural gas leasing, exploration, and production activities in areas that will be directly affected by the BLM's management decisions. These companies are also dedicated to meeting environmental requirements, while economically developing and supplying affordable energy to consumers.

AXPC is a national trade association representing 32 of the largest independent oil and natural gas exploration and production companies in the United States. AXPC companies are among leaders across the world in the cleanest and safest onshore production of oil and natural gas, while supporting millions of Americans in high-paying jobs and investing a wealth of resources in our communities. Dedicated to safety, science, and technological advancement, our members strive to deliver affordable, reliable energy while positively impacting the economy and the communities in which we live and operate. As part of this mission, AXPC members understand and promote the importance of ensuring positive environmental and public-welfare outcomes and responsible stewardship of the nation's natural resources. It is important that regulatory policy enables us to support continued progress on both fronts through innovation and collaboration.

The **Alaska Oil and Gas Association** ("AOGA") is a professional trade association whose mission is to foster the long-term viability of the oil and gas industry for the benefit of all Alaskans. AOGA represents the majority of companies that are exploring for, developing, producing, refining, or marketing oil and gas on the North Slope, in the Cook Inlet, and in the offshore areas of Alaska.

The **New Mexico Oil and Gas Association** is a coalition of more than 1,000 oil and natural gas companies and individuals operating in the state of New Mexico. NMOGA is the oldest and largest organization representing the oil and gas industry in New Mexico and its members include all facets of oil and gas production, transportation, and delivery. The oil and gas industry is the greatest economic contributor to the state of New Mexico, supporting more than 134,000 jobs and \$63.3 billion in annual economic activity. Taxes and royalties from the industry account for about 35% of the State of New Mexico's annual budget, including over \$1.4 billion for public schools. Visit NMOGA.org to learn more about the importance of oil and natural gas to New Mexico.

The **Petroleum Alliance of Oklahoma** represents more than 1,400 individuals and member companies and their tens of thousands of employees in the upstream, midstream, and downstream sectors and ventures ranging from small, family-owned businesses to large, publicly traded corporations. Its

members produce, transport, process and refine the bulk of Oklahoma's crude oil and natural gas. The Proposed Rule will impact its members as they develop federal and Indian leases in Oklahoma and in many other states.

The **Petroleum Association of Wyoming** represents companies involved in all aspects of responsible oil and natural gas development in Wyoming, including upstream production, oilfield services, midstream processing, pipeline transportation and essential work such as legal services, accounting, consulting and more. PAW advocates for oil and gas development that supports sustainable production of Wyoming's abundant resources; fosters mutually beneficial relationships with Wyoming's landowners, businesses, and communities; and upholds the values of science-based, environmental stewardship. Eighty-five percent of the oil and gas companies operating in Wyoming are classified as small businesses.

The **Utah Petroleum Association** is a statewide oil and gas trade association established in 1958 representing companies involved in all aspects of Utah's oil and gas industry. UPA members range from independent producers to midstream and service providers, to major oil and natural gas companies widely recognized as industry leaders responsible for driving technology advancement resulting in environmental and efficiency gains. UPA members operate extensively on federal lands and have a long history of stewardship and conservation.

The **Western Energy Alliance** is the leader and champion for independent oil and natural gas companies in the West. Working with a vibrant membership base for over 50 years, Western Energy Alliance stands as a credible leader, advocate, and champion of industry. Our expert staff, active committees, and committed board members form a collaborative and welcoming community of professionals dedicated to abundant, affordable energy and a high quality of life for all. The majority of independents are small businesses, with an average of fourteen employees.

Rationale for Extension

The Proposed Rule outlines sweeping changes to federal leasing, with considerable substantive divergence from the status quo. To summarize the proposed changes, BLM authored over 25 tables encompassing 12 federal register pages. As the titles of the tables indicate, the changes pertain to almost every aspect of the leasing process, as well as substantial reforms to bonding. Additionally, numerous significant changes to key definitions must be carefully reviewed in the context of leasing contracts to ensure there are no unintended consequences. Moreover, these changes must be considered in light of other recent proposals by BLM such as the recently proposed Conservation and Landscape Health Rule (RIN 1004-AE92) and the Rights-of-Way, Leasing, and Operations for Renewable Energy Rule (RIN 1004-AE78).

Many individuals essential to the comment development process have longstanding PTO planned for August. First, the PTO of federal agency employees will materially impact our ability to comment by prolonging the time necessary to receive essential clarifications. Second, many of our member company

representatives have already planned to be away from their offices for as many as ten days. This is a complex rule, requiring discussions among multiple business units (e.g., field operations across basins, asset managers, royalties teams, and respective attorneys) and it also must be compared against several other recent federal proposals. The necessary consultations will certainly be complicated by PTO schedules.

Conclusion

We understand one of BLM's key goals with this rulemaking is improving the return to the American people from oil and natural gas leasing on federal lands. We share that goal – and we believe it can be best accomplished by a comment period that leaves sufficient time for the type of careful evaluation which thoroughly and constructively identifies potential unintended consequences. We therefore respectfully request that BLM extends the existing comment period by 90 days.

We appreciate BLM's consideration of our industry's requests for an extension of time for comment.

Please do not hesitate to contact us with any questions.

Thank you for your consideration.

Sincerely,



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