



THE SECRETARY OF THE INTERIOR
WASHINGTON

MAY 04 2017

The Honorable Rob Portman
United States Senate
Washington, DC 20510

Dear Senator Portman:

Thank you for your letter dated May 1, 2017, regarding the Department of the Interior's (Department) Methane and Waste Prevention Rule. I too believe the Department has an integral role to play in this issue, which is why I intend to act within my authority as Secretary to craft solutions that incentivize responsible development.

I share your concerns regarding methane waste and agree that we must manage our public lands in a pragmatic way. Should you and your colleagues choose to rescind the rule through the Congressional Review Act (CRA), the Bureau of Land Management (BLM) will continue to have the authority to meaningfully update its policies to reduce methane waste and will continue to regulate venting, flaring, and beneficial use of gas pursuant to Department guidance, known as Notice to Lessees (NTL) 4A¹. The NTL-4A was first implemented decades ago, so it should be revised to reflect the realities of today. Whether BLM proposes new rulemaking or revisions to the existing NTL-4A process, we will take concrete action to reduce methane waste. In your letter, you asked me what actions the Department would take in the absence of the current Methane and Waste Prevention Rule. In response, the Department would pursue, among other options, the following strategies:

- Engage in a robust assessment of all venting and flaring requirements to ensure 1) the industry conserves resources and prevents waste, and 2) the taxpayer is assured the fair value of royalties. This includes, but is not limited to:
 - Criteria for approving venting and flaring
 - Venting and flaring thresholds and time limits
 - Beneficial use
 - Royalty requirements;
- Strengthen policies to encourage companies to capture methane to be used for other purposes, such as the beneficial use of methane on lease for generating power, powering equipment, and compressing or treating methane;
- Revise existing BLM restrictions on the flaring of unmarketable methane from oil wells;
- Conserve unsold methane by reinjection into the existing well for enhanced oil recovery or for later recovery;
- Expedite rights-of-way (ROW) approvals and remove obstacles so pipeline and gathering infrastructure can be built quickly; and
- Eliminate BLM policies that conflict with or duplicate flaring restrictions in states such as North Dakota, Wyoming, Utah, New Mexico, Colorado, and Montana.

¹ The 1979 Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases, Royalty or Compensation for Oil and Gas Lost (NTL-4A)

I have been tasked to lead and plan for the Department's future over the next 100 years. As an admirer of President Teddy Roosevelt, the policies I propose will reflect the promise I made to you and your colleagues during my confirmation hearing—we will work together to ensure the use of our public lands reflects higher purpose so that our children's children can look back and say, "we did it right."

As Congress weighs its options, rest assured that the Department is committed to reducing methane waste, and under my leadership, will take important steps to accomplish this goal. Responsible energy development and proper conservation are not mutually exclusive goals, and we will utilize reasonable regulations without hurting job creation and economic growth.

Thank you for your interest in this issue.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ryan K. Zinke". The signature is stylized and fluid, with a large initial "R" and "Z".

Ryan K. Zinke
Secretary of the Interior