

# **GOVERNMENTAL AFFAIRS**

WEEKLY REPORT August 15, 2016

#### WEEKLY HIGHLIGHTS AT-A-GLANCE

### FEDERAL - Legislative

• **Congressional Summer Recess – Washington, D.C.** Congress is in summer recess and no legislative action will be taken prior to their return in September. Read more.

#### FEDERAL - Regulatory

- BLM Lease Sale Colorado. The Bureau of Land Management (BLM) Tres Rios Field
  Office is accepting public comments on its proposal to lease 16 parcels totaling about
  17,000 acres at the Feb. 9, 2017, quarterly oil and gas lease sale. Last Wednesday, the
  BLM field office released a preliminary Determination of National Environmental Policy
  Act Adequacy that addresses the proposed lease parcels, which are located in
  Archuleta, Dolores, Montezuma and San Miguel counties. Read more.
- **BLM Scoping Colorado.** The BLM White River Field Office is evaluating 100,000 acres in Northwest Colorado for oil and gas leasing in 2017. Last Monday, the agency announced it is seeking comment on proposed leases for sales to be held in May 2017. The proposed leases are in Grand, Jackson, Moffat, Rio Blanco and Routt counties. The BLM says it wants comments before beginning an environmental assessment on the proposal. The assessment will be released to the public in November. Read more.
- BLM Sage-Grouse Plan Colorado/Utah. A draft proposal for managing BLM lands in
  western Colorado and eastern Utah to better protect the Gunnison sage-grouse would
  take different approaches for the bird's main population in the Gunnison Basin and
  smaller populations in places including Mesa County. The BLM draft environmental
  impact statement, released last Thursday, proposes amending up to 11 resource
  management plans in the two states. Read more.

#### **FEDERAL** – Judicial

• BLM Lease Sales – New Mexico. On August 11, the Western Energy Alliance (WEA) sued the BLM for failing to hold quarterly onshore oil and gas lease sales as mandated by federal law. In the lawsuit, <a href="Western Energy Alliance v. Jewell">Western Energy Alliance v. Jewell</a> (Case No. 1:16-cv-00912), filed in the U.S. District Court for New Mexico, WEA asks that the court direct the U.S. Department of the Interior be to abandon its current leasing schedule immediately, rescind guidance documents and instruction documents that implement it, and promptly adopt one that complies with the 1920 Mineral Leasing Act's terms. Read more.

## STATE - Regulatory

- Ballot Measures Colorado. (Update to 4/18/16 Weekly Report) Backers of two initiatives that would limit oil and gas activity in Colorado have submitted signatures to Secretary of State Wayne W. Williams's office to place the measures before voters in the state's November 8 elections. The office will now begin its signature review process to determine whether the measures make the ballot, with the certification due by September 7. Initiative No. 75 would allow local governments to prohibit, control, or impose moratoriums on oil and gas development; enact local laws that are more restrictive than state laws; and bar the state from preempting such laws. Initiative No. 78 would change the state's setback requirements for any new oil and gas development to at least 2,500 feet from the nearest occupied structure or other specified or locally designated area. Read more.
- Ballot Measure Michigan. In a blow to activists seeking to assert control over oil and gas operations in the state, a Michigan judge has dismissed a challenge to restrictions on how long ballot drive organizers have to collect voter signatures. The Committee to Ban Fracking wants to use more than 200,000 already-gathered signatures to help qualify for the 2018 statewide ballot. It sued to challenge the constitutionality of Michigan's 180-day time period for signature collecting. But the court says it won't consider that challenge because the committee does not have the required number of signatures, even if they combined the old signatures with ones they have gathered since. The court says the committee is asking it to decide a hypothetical question, which it says is something it won't do. Read more.
- Unitization Orders Ohio. (From Vorys Energy & Environmental Law Blog). Recently, Ohio's Division of Oil and Gas Resources Management has issued several unitization orders that include unleased lands owned by the State of Ohio, including lands owned by the Department of Transportation (see here), the Ohio Rail Development Commission (see here), and the Department of Information Technology (see here). The orders are on terms that closely match previous unit orders issued by the Division with one notable exception – given the duration that some have been pending, the Division has allowed 25 months from the approval of the order to commence drilling operations as opposed to the 12-month period it usually prescribes. Read more.
- Railroad Commission Rules Texas. Texas Railroad Commissioner Christi Craddick is proposing a series of rule changes she says will help oil companies more easily navigate the state bureaucracy, potentially saving them money during the current downturn. The full package of changes, introduced at last week's Commission meeting, and which Craddick calls the Texas Oilfield Relief Initiative, includes reducing gas well status filings, modifying gas well deliverability reporting, changing some pressure calculations, amending production definitions, prioritizing rig inspections in sensitive areas like cities or wetlands, creating area-wide surface casing requirements in counties with constant

water depth, simplifying permit reissuance applications and reviewing all Railroad Commission forms to determine if the data is used. Read more.

## **State-by-State Legislative Session Overview**

**Please note:** AAPL's bill tracking and legislative reporting service does not produce a State-by-State Legislative Session Overview for use in this week's report due to the National Conference of State Legislatures (NCSL) Annual Meeting and Legislative Summit held last week in Chicago, IL. This section will return in the next Weekly Report.

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