OSAGE COUNTY

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CATTLEMEN'S ASSOCIATION

January 7, 2020

Osage County Oil and Gas EIS
BIA Osage Agency
Superintendent Robin Phillips
P.O. Box 1539
Pawhuska, OK 74056

Re: Osage County Oil and Gas Environmental Impact Statement; Response of Osage County Cattlemen's Association

BIA-PAWHUSKA 01-13-20 PM 1:07

Dear Ms. Phillips:

On behalf of the Osage County Cattlemen's Association ("OCCA"), the purpose of this letter is to provide comments and information on the draft alternatives for the Osage County Oil and Gas Environmental Impact Statement ("EIS"). **We strongly encourage the BIA to adopt the enhanced environmental protections found in <u>Alternative 4</u> in the draft EIS.**

The OCCA is a non-profit organization representing hundreds of landowners and tens of thousands of acres in Osage County. For over 100 years our ranches have been impacted by oil and gas development pursuant to leases of the mineral estate to third party oil and gas companies. These impacts not only affect private property owned by our members in Osage County, but also land owned by Osage tribal members and the Osage Nation itself. The Department of Interior conducted an environmental assessment of the Bluestem Ranch (which was acquired by the Osage Nation) and found that it would require over $40 million to remediate existing environmental damages to the 43,000 acres incurred from oil and gas operations over many years.

The range of impacts from oil and gas development includes physical impacts to land caused by drilling pads, roads, power lines and pipelines; pollution of surface and subsurface land as well as surface and ground water from oil, gas and saltwater leaks and spills; pollution of air from hydrogen sulfide, methane, sulfur dioxide and other gaseous emissions, with hydrogen sulfide emissions in recent years damaging the health of the surface landowners and their employees; damage to wildlife, both game and non-game; damage to livestock; and reduction of property values and property rights.

While Alternative 4 is a good start as outlined in the draft, it is important that it include the following provisions:

a) Best Management Practices (BMPs) must be incorporated into the Conditions of Approval (COAs) in order to make them enforceable, rather than merely suggested guidelines.
b) The BMPs used by the BIA should be compared to the BMPs listed in the BLM's gold book, and the more protective measures should be used.
c) The BMPs adopted in Osage County should be easily accessible to landowners and oil and gas producers, and posted on the BIA's website.
d) There must be a requirement for producers to execute surface damage agreements with landowners prior to first entry on land.
e) There must be requirements for producers to remediate surface damage caused by oil and gas activities, and requirements to restore the land back to tall grass prairie once oil and gas operations on the lease have ceased.
f) There must be enforceable limits and standards governing remediation of brine and petroleum contamination of soil and water.
g) Clean Water Act Compliance must be established to protect surface and ground water from pollution from oil and gas development.
h) Water wells near oil and gas activities must be tested and monitored for pollution.
i) There must be enforceable limits and standards governing prevention of venting and flaring of H2S gas.
j) Any environmental protection requirements must be properly overseen and enforced by the government. BMPs, COAs or any regulations without adequate oversight and enforcement are meaningless, as we have seen in the past.

We believe that additional COAs and enhanced environmental protections should always apply in sensitive environmental areas in Osage County, such as intact/unfragmented prairie lands, natural areas, and sensitive water supply streams, lakes and aquifers. These sensitive environmental areas should also include any ranch and farm land that is enrolled in federal or state conservation programs designed to improve soil, water, plant, animal, air, wildlife and related natural resources on agricultural land. Taxpayer money is being spent in these programs to improve the environment, and the BIA's rules should support these efforts. These programs include, but are not limited to, the following:

a) Environmental Quality Incentives Program (EQIP)
b) Conservation Stewardship Program (CSP)
c) Wetlands Reserve Program (WRP)
d) Conservation Reserve Program (CRP)
e) CRP Grasslands
f) BLM Wild Horse Pasture Facilities
g) Sensitive water supply streams, lakes and aquifers

BIA-PAWHUSKA 01-13-'20 AM10:07

While some locations may be more suitable for oil and gas activity with less environmental impact than other locations, however with respect to Alternative 3 we believe that analyzing Osage County on a section by section basis is too large an area for determining COAs for environmental requirements. We believe a much more granular approach should be used. Oil and gas leases are currently issued and regulated on a quarter section basis, so it makes sense to identify appropriate lease locations and avoid sensitive locations that should have a reduced level of oil and gas activity on a quarter section basis as well.

As we have previously commented, we would also strongly suggest that BIA engage STRONGER, a non-profit organization specializing in the review and improvement of existing oil and gas regulatory regimes throughout the U.S. We believe STRONGER has the technical and regulatory depth, breadth, expertise and experience to reduce the environmental impacts of oil and gas drilling in Osage County while improving the effectiveness of permitting.

In addition, the alternatives must include measures for ensuring monitoring and enforcement, with strong remedies and penalties for violations (such as revoking a permit for non-compliance). We would like the BIA to consider delegating the enforcement/environmental protection role to the Oklahoma Corporation Commission (OCC). OCC has a strong history of monitoring and oversight of oil and gas activities to effectively protect the natural and human environment from the impacts of oil and gas development.

In closing, our members make their living through the natural resources found in Osage County and simply want to manage their operations without fear that their land, water and air will be degraded and polluted by underregulated and shoddy oil and gas production. We must protect the unique and endangered tall grass prairie, and our ground and surface water for the benefit of future generations by implementing strong environmental protections **now** – otherwise we risk causing irreparable and irreversible harm to our land and environment.

Sincerely,

Taylor Reed, President
Osage County Cattlemen's Association

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