

From: [Matthew Huggler](mailto:Matthew.Huggler@fws.gov)
To: scott_covington@fws.gov
Subject: Fwd: FWS BP on Non-Federal Oil and Gas Rule
Date: Monday, April 10, 2017 5:19:03 PM
Attachments: [mime-attachment.html](#)
[ATT00001.htm](#)
[FWS HQ - Non-Fed Oil Gas Activities on NWRS BP.docx](#)
[ATT00002.htm](#)
[50 CFR Part 29D.pdf](#)
[ATT00003.htm](#)
[mime-attachment.html](#)
[ATT00004.htm](#)

FYI

Begin forwarded message:

From: Matthew Huggler <matthew_huggler@fws.gov>
Date: April 10, 2017 at 6:17:42 PM EDT
To: Shaun Sanchez <shaun_sanchez@fws.gov>
Subject: Fwd: FWS BP on Non-Federal Oil and Gas Rule

See attached...

Begin forwarded message:

From: "Huggler, Matthew" <matthew_huggler@fws.gov>
Date: March 31, 2017 at 3:51:07 PM EDT
To: Maureen Foster <maureen_foster@ios.doi.gov>, Virginia Johnson <virginia_johnson@ios.doi.gov>
Cc: Casey Hammond <casey_hammond@ios.doi.gov>, Charisa Morris <charisa_morris@fws.gov>, Jim Kurth <jim_kurth@fws.gov>, "Guertin, Stephen" <Stephen_Guertin@fws.gov>
Subject: FWS BP on Non-Federal Oil and Gas Rule

Maureen, Virginia -

Also at our Tuesday afternoon meeting this week, you requested a briefing paper on our non-federal oil and gas rule. Please see the attached briefing paper and attachment.

If you need any additional information, please let us know.

We are also working on the related reviews requested by Secretarial Order 3349.

Thanks and have a nice weekend,

- Matt

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INFORMATION/BRIEFING MEMORANDUM FOR THE SECRETARY

DATE: March 29, 2017

FROM: Jim Kurth, Acting Director, U.S. Fish and Wildlife Service

SUBJECT: Management of Non-Federal Oil and Gas Activities within the National Wildlife Refuge System

To provide an overview of the U.S. Fish and Wildlife Service's (FWS) management of non-federal oil and gas activities within the National Wildlife Refuge System (NWRS), particularly the applicable rule at 50 CFR, Part 29D.

BACKGROUND

- Non-Federal oil and gas exploration and development occurs in NWRS lands where mineral rights remain in private, state or tribal ownership. FWS's data indicate that up to 4,000 oil and gas wells lie on 107 NWRS units. Many of these wells have been properly plugged and require no further management actions, meaning that the actual number of non-Federal wells operating within the NWRS is likely 2,500 – 3,000.

DISCUSSION

- Oil and gas rights holders are entitled to reasonable access to explore for and develop their oil and gas resources on National Wildlife Refuges.
- Activities associated with developing these resources have negative impacts on wildlife, habitat, wildlife-dependent recreation, and the health and safety of employees and visitors, which compromises the purposes for which the surrounding refuge was established. However, many of these impacts can be avoided or minimized through coordination and cooperation between FWS staff and the operator.
- While FWS has had many local successes working with oil and gas operators to achieve resource protections in tandem with oil and gas development, there are many examples of unnecessary and preventable impacts on natural resources.
- The Government Accountability Office (GAO) primarily attributed these management shortfalls to FWS personnel lacking the necessary clarity of authorities and regulatory tools which it deemed essential for effective oil and gas management. As a result, FWS promulgated a rule which allows for the continued exercise of non-Federal oil and gas rights while avoiding or minimizing unnecessary impacts.
- The FWS oil and gas rule at 50 CFR, Part 29D:
 - Does not prohibit oil and gas development on NWRS lands, but establishes national regulatory consistency to the benefit of both oil and gas operators and refuge managers;
 - Is specifically designed to avoid regulatory burdens and ensure benefits to refuge resources and uses outweigh regulatory burdens and costs;
 - Avoids procedural and operational duplication with state regulatory programs by focusing on surface activities and establishes the functional equivalent of a "surface use agreement" between the Service and operator;

- Contains a permitting process centered around flexible, site-specific operating standards for operations that create new impacts (e.g., new operations and expansion of existing operations) and ensures operators reclaim and restore habitat disturbed by their activities to protect wildlife for future generations;
- Analysis led us to NOT select the environmentally preferred alternative specifically because costs (to both the Service and the regulated community) outweighed the benefits; and,
- Will apply to about 400 businesses (5 percent of all U.S. oil and gas extraction businesses).

NEXT STEPS

On December 14, 2016, the FWS oil and gas rule became final and is currently being implemented with existing staff resources.

On March 29, 2017, the Secretary of the Interior issued Secretarial Order 3349. The Order implements the review of agency actions directed by the President's Executive Order entitled, "Promoting Energy Independence and Economic Growth." Among other things, the Secretarial Order directs FWS to review its oil and gas rule within 21 days to determine whether it is fully consistent with the policy set forth in Section 1 of the Executive Order. FWS is currently conducting this review.

ATTACHMENTS

- 50 CFR, Part 29D
- GAO reports:
 - 2003 GAO Report: <http://www.gao.gov/assets/240/239441.pdf>
 - 2007 GAO Report: <http://www.gao.gov/assets/100/95007.pdf>
 - 2015 OIG Report: <https://www.doioig.gov/sites/doioig.gov/files/CREVFWS00022014Public1>