



FEDERAL ORPHANED WELLS PROGRAM



Orphaned Well Site Plugging, Remediation, and Restoration

Sec. 40601, P.L. 117 58

\$4.707 billion

Federal Program
Subsection (b)

\$250 million

State Program
Subsection (c)

\$4.275 billion

Tribal Program
Subsection (d)

\$150 million

Other Authorizations



\$30M



\$2M



Federal Program

Sec. 40601(b)



Establishment by January 14, 2022

Broad latitude for ranking wells, but prioritization to be based on:

- Public Health and Safety
- Potential Environmental Harm
- Other Subsurface Impacts or Land-Use Priorities

Requires tracking of:

- Costs of plugging, remediation, and reclamation
- Emissions of methane and other gases associated with orphaned wells
- Contamination of surface water and groundwater associated with orphaned wells
- Disproportionate burden of adverse human health or environmental effects of orphaned wells on underserved communities

Annual report to Congress



Federal Program (continued)

Sec. 40601(b)

\$250 M

Agencies may use funds for:

- Plugging orphaned wells
- Inventorying orphaned and idled wells
- Remediating land
- Restoring soil & habitat
- Providing info to public
- Measuring & tracking methane
- Measuring & tracking water contamination
- Identifying & addressing disproportionate impacts
- Administrative costs (up to 3%)
- Ranking wells based on:
 - Public health and safety
 - Environmental harm
 - Other land use priorities

Formula Grants

Subsection (c)(4)

Performance Grants

Subsection (c)(5)



Grants

Sec. 40601(c)(5); Sec. 40601(d)

State Regulatory Improvement Grants

- For states that:
 - improve plugging standards and procedures, or
 - increase bonding requirements or set up alternative orphaned well financing methods.
- Up to \$20 million for each of the criteria, for a maximum of \$40 million, with claw-back provision.

State Matching Grants

- Matches amount states spend on plugging orphaned wells above their 2010-2019 annual average.
- Total match not to exceed \$30 million over life of program.

Tribal Grants

- Apply to receive grant; or
- Request DOI to administer a plugging program on Tribal lands.
 - Application requirements and eligible uses similar to state formula program.



Initial Federal (Agency) Review and Distributions FY 2022

Sec. 40601(b)(2)(A&B)

AGENCY IDENTIFICATION

BEGIN FUND
DISBURSEMENTS



REVIEW, RECOMMEND,
APPROVE

CONTRACT PLUGGING AND
REMEDiation

2022

2023

Funds available through end of FY30

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

2024

2025

2026

2027

2028

2029

Federal Program





Ongoing Engagement and Outreach

- Regular ongoing interaction with Interstate Oil and Gas Compact Commission and States
- Tribal Consultation
- Technical assistance from Department of Energy on measurement & reporting
- BLM technical assistance to state and Tribal grant programs
- Input from the public, NGOs, academia, oil & gas industry
- written input to orphanedwells@blm.gov

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