



August 24, 2026

Bureau of Land Management
U.S. Department of the Interior

Submitted via online portal to: [Federal Register – Submit a Public Comment](#)

Re: Comments on the Bureau of Land Management's Oil and Gas Leasing Proposed Rule

Dear Bureau of Land Management,

The California Department of Conservation and its Geologic Energy Management Division (DOC/CalGEM) appreciate the longstanding coordination with the Bureau of Land Management (BLM) in overseeing oil and gas operations on federal lands within California. As the California agency responsible for regulating oil, gas, and geothermal production operations to protect public health and safety, natural resources, and the environment while supporting the responsible development of California's energy resources, DOC/CalGEM provides the following comments on the Bureau of Land Management's (BLM) proposed revisions to its oil and gas leasing regulations.

As an initial matter, DOC/CalGEM recognizes that BLM's proposed rulemaking action does not alter an operator's obligation to comply with California law or diminish DOC/CalGEM's independent regulatory authority over oil and gas operations in California, including on federally managed lands. As BLM has recognized, the proposed rule will not have "a substantial direct effect on the States, on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the levels of government." Oil and gas operations conducted on federal lands in California remain subject to applicable California statutes, regulations, and permitting requirements. Operators must continue to obtain all required state approvals and comply with applicable operational, environmental, well integrity, plugging and abandonment, and public health and safety requirements before conducting regulated activities.

As the state agency responsible for regulating oil, gas, and geothermal production operations, DOC/CalGEM has reviewed the proposed regulations and offers the following comments for BLM's consideration. For the reasons explained in this comment letter, DOC/CalGEM requests that BLM retain the existing framework and continue the scoping, public participation, bonding, and other key requirements of the 2024 Fluid Mineral Leases and Leasing Process Rule (2024 Leasing Rule) (89 FR 30916 (April 23, 2024)).

I. Public Review and Coordination

The proposed rule would shorten several public participation periods associated with lease sales, including eliminating an existing 30-day scoping period and 30-day public comment period during NEPA review, thereby reducing overall public notice periods for lease sales, and shortening the protest period from 30 days to just 10 calendar days.

These changes would limit time available for community review and input. DOC/CalGEM requests that BLM retain the existing public participation framework, and continue early coordination between the BLM, state agencies, tribal governments, local governments, and affected stakeholders. Early and robust engagement often identifies operational constraints, environmental considerations, and regulatory issues before project-specific development is proposed, resulting in more efficient permitting and better-informed decision-making.

II. Protest Procedures

The proposed rule would establish a fixed filing \$1 per page fee for protests, including exhibits or attachments, collectively exceeding fifty pages. This fee may unnecessarily limit opportunities for public participation and discourage the submission of detailed technical, scientific, and legal information that can assist agencies in identifying site-specific issues and making well-informed regulatory decisions. Complex oil and gas projects often require substantial supporting documentation, including technical studies, maps, environmental analyses, and other evidence that may reasonably exceed a fifty-page limit. DOC/CalGEM therefore requests that the BLM eliminate this proposed fee and avoid any similar measures that could discourage the submission of substantive information relevant to environmental review, public health and safety, resource protection, and future project development.

III. Noncompetitive Leasing

The proposed rule would reintroduce noncompetitive leasing for parcels that receive no bids at auction, allowing those parcels to be offered noncompetitively for up to two years, and would require BLM to conduct a replacement competitive lease sale within 30 days when 25 percent or more of the acreage offered in a sale receives no bids. Expanding noncompetitive leasing will complicate the efficient and adequate administration of oil and gas leases in California. It would encourage speculative parcel acquisition by parties that lack the experience, financial resources, or operational capacity necessary to develop, safely operate, and ultimately plug and abandon wells and reclaim lease sites. DOC/CalGEM requests that BLM account for potential regulatory compliance consequences in evaluating whether and to what extent noncompetitive leasing should be expanded.

IV. Performance Bonds

BLM has proposed to revert individual and statewide bond amounts back to 1950s and 1960s era levels, which are wholly insufficient to cover actual contemporary costs of plugging, abandonment, and remediation. Operators conducting oil and gas operations on federal lands within California are subject to applicable California bonding requirements and other regulatory obligations administered by DOC/CalGEM. Nonetheless, DOC/CalGEM is concerned that the proposed reduction in federal bonding requirements could diminish the overall bond amounts available to ensure the proper plugging, abandonment, and reclamation of oil and gas operations on federal lands. Bonding serves a critical regulatory function by helping ensure that operators – not taxpayers – bear the costs associated with safely plugging and abandoning wells,

reclaiming disturbed lands, and addressing environmental and public safety risks at the end of a project's operational life.

DOC/CalGEM has extensive experience addressing the environmental, public safety, and fiscal challenges associated with idle and orphan wells. When operators become insolvent or otherwise fail to satisfy their plugging and abandonment obligations, governmental agencies may ultimately be required to address wells that present risks to groundwater, public safety, natural resources, and the environment. Adequate financial assurance reduces these risks by providing a meaningful incentive for operators to complete plugging, abandonment, and reclamation and protects taxpayers from footing the costs.

As BLM has determined, reducing minimum bonding amounts is also likely to delay remediation of orphaned wells by an estimated 1,440 to 2,400 days annually, leading to environmental and likely public health and safety costs. In addition to the impacts that BLM identified, essentially delayed site restoration, orphaned wells can also have active, ongoing environmental and public health impacts like methane leaks, groundwater contamination, surface leaks and spills that threaten wildlife, livestock, or nearby communities, air quality impacts beyond methane, and physical hazards that can pose a danger to landowners or wildlife. The longer an orphaned well remains unaddressed, the more cumulative the environmental impact or likelihood of an emergency, making it more expensive and complex to remediate.

DOC/CalGEM requests that BLM maintain bonding levels at amounts that are sufficient to address modern plugging, abandonment, reclamation, and long-term environmental protection costs.

BLM has also invited comments regarding whether to reinstitute nationwide bonds and unit operator bonds. BLM has not specified the proposed amount of a nationwide bond, or how the minimum required bonding would be calculated. DOC/CalGEM looks forward to the opportunity to comment when such information is available.

V. Siting Distance, Timing Limitations, and Health Protection Zones

The proposed rule would reduce the maximum allowable relocation or modification of siting distance on a lease from 800 meters to 200 meters and reduce the timing of surface disturbance operations from 90 days to 60 days. Maintaining an adequate surface-use review area is important to ensure that potential impacts to public health, safety, and environmental resources are appropriately identified and addressed during the leasing process, especially within or near California's health protection zones (HPZs) surrounding sensitive receptors, defined in California Public Resources Code section 3280, subdivision (b). BLM should retain the broader 800-meter review area or, at a minimum, ensure that its revised review process provides sufficient consideration of potential impacts beyond 200 meters.

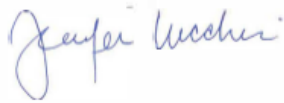
In California, oil and gas development proposed within or near HPZs is subject to additional statutory and regulatory requirements administered by DOC/CalGEM. Early coordination between the BLM and DOC/CalGEM during lease planning and project-level review will assist in identifying parcels where HPZ requirements may affect future

development, facility siting, operational design, or mitigation measures. Doing so will promote efficient project planning, provide greater regulatory certainty for operators, and ensure that applicants understand applicable state requirements before investing in development activities. Such coordination benefits both agencies and helps avoid unnecessary delays during subsequent permitting and environmental review.

VI. Conclusion

DOC/CalGEM appreciates the opportunity to comment on BLM's proposal. We look forward to continued coordination throughout the leasing, permitting, and operational phases of oil and gas development on federal lands, while ensuring appropriate protection of public health and safety, natural resources, and the environment.

Sincerely,



Jenniter Lucchesi
Director, Department of Conservation