

PUBLIC LANDS FOUNDATION

PUBLIC COMMENTS

AGENCY: Bureau of Land Management

Royalty for Oil and Gas Lost From Onshore Federal and Indian Leases

43 CFR Parts 3160 and 3170

PROPOSED RULE

FR DOCKET NUMBER: 2026-12738

RIN 1004-AF33

Submitted to www.regulations.gov

The Public Lands Foundation (PLF) is a national nonprofit membership organization that advocates and works for the retention of America's Public Lands in Public Hands, professionally and sustainably managed for responsible use and enjoyment by American citizens today and into the future. The PLF endorses and embraces the multiple use mission of the U.S. Department of the Interior (DOI), Bureau of Land Management (BLM). PLF members are predominately retired BLM public servants from across the United States.

We are pleased to offer comments and observations on the Bureau of Land Management's Proposed Rule, "Royalty for Oil and Gas Lost From Onshore Federal and Indian Leases" (43 CFR Parts 3160 and 3170), published in the Federal Register on June 24, 2026. Comments on the Proposed Rule were requested to be provided by August 24, 2026.

Overall, the proposed changes are reasonable and the PLF supports them. The section-by-section comments are provided below. Sections are included if the PLF has a specific rationale for supporting the change. If a section is not referenced, either the PLF has no comment or generally supports the section as written.

Section-by-Section Comments

43 CFR Part 3160 – Onshore Oil and Gas Operations

Section 3162.3-1 - Drilling Applications and Plans

The BLM proposes to eliminate the requirement for a Waste Management Plan (WMP) or self-certification with an oil-well APD based upon the expense of the requirement and other

rationale. The BLM should provide data from approved APD statistics to bolster the proposal. The BLM has statistical data on approved APDs that required a WMP or self-certification and data from those APDs could provide support for the proposed change. For example, for approved APDs located within producing drilling and spacing units, or producing unit or communitization agreements, the WMP likely provided no value since there were already existing production facilities. For those APDs not in producing areas and that were subsequently drilled, were the WMPs implemented as written, or were they modified to address actual production operations?

The PLF recommends that the BLM use approved APD data to summarize the efficacy of the WMP requirement and its value to reducing venting and flaring.

43 CFR 3179 - Onshore Oil and Gas Production

Section 3179.10 - Definitions and Acronyms

The PLF supports the changes since they provide clarity.

Section 3179.40 - Reasonable Precautions to Prevent Waste

The PLF supports the change to remove this section since it lacks actionable requirements and is difficult to enforce. The PLF agrees it is more appropriately addressed in Section 3179.42.

Section 3179.41 - Determining When the Loss of Oil or Gas is Avoidable or Unavoidable

The PLF supports the BLM moving many of the provisions out of Sections 3179.81 and 3179.82 into the newly proposed sections in 3179.41. The PLF also supports changes to the time periods since they provide both the operator and the BLM a more reasonable time to gather appropriate data and address issues.

Section 3179.41(b)(1) - Proposed Rule 3179.100

The BLM, however, offers no rationale for selecting 17 days as unavoidable loss during an emergency and then requiring the operator to pay royalties thereafter. The PLF recommends that the BLM provide the rationale for selecting 17 days.

Section 3179.41(b)(10)

The PLF supports this change since downstream pipeline issues aren't controlled by the operator.

Section 3179.41(b)(12)

The PLF supports this change for unmerchantable gas.

Section 3179.41(c)

The PLF agrees that the loss of gas by operator negligence is avoidable.

3179.73 to 3179.42 - Prior Approvals Regarding Royalty-Free Flaring

The PLF supports the proposed transition time since every previous rule has resulted in litigation and confusion about what rules apply.

Section 3179.50 - Safety

The PLF supports this change since it limited applicability to Federal and Indian surface estate.

Section 3179.92 - Size of Production Equipment

The PLF supports this change since it cannot be practically enforced.

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