

**Earthjustice ✦ EARTHWORKS Oil & Gas Accountability Project
Environment America ✦ Food & Water Watch
National Alliance for Drilling Reform ✦ National Audubon Society
Natural Resources Defense Council ✦ OMB Watch
Public Citizen's Energy Program ✦ Sierra Club ✦ The Wilderness Society**

July 21, 2010

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, D.C. 20510

Dear Speaker Pelosi and Majority Leader Reid:

Nothing could be plainer to the American public than the fact that oil and gas exploration and production practices in our country must change. We need new environmental protections, better enforcement, and support for clean energy to reduce our dependence on dirty fossil fuels. We must immediately protect the most sensitive places and require better standards everywhere else. We thank you for your leadership on these critical issues.

While national attention has been understandably focused on offshore production as the disaster in the Gulf of Mexico unfolds, the risks to our environment, our food, our water, our air, our health, our wildlife, and our natural resources, do not begin or end at our shorelines.

Onshore oil and gas production is a national issue, currently taking place in thirty states. We strongly urge you to include meaningful and comprehensive reform of onshore oil and gas exploration and production along with any consideration of offshore reforms.

While any single onshore explosion, leak or spill is unlikely to match the extent of contamination currently occurring in the Gulf of Mexico, dangerous releases of toxic materials occur regularly onshore. Onshore oil and gas operations are unique; many of the facilities are located right in the middle of neighborhoods, often right in the backyards of families. Unlike any other industry that uses large volumes of toxic chemicals and produces immense amounts of toxic waste, onshore oil and gas production is allowed in areas zoned for residential use. Some toxic sites are located less than 200 feet from where children play.

Although onshore incidents may not make national headlines, communities across the United States regularly experience tragic incidents of their own. Just in the last few months, reports of drinking water contamination, toxic air pollution, blow-outs, and spills continue to occur. From

southern California, to Texas, Wyoming, Ohio, and Pennsylvania, Americans continue to be harmed by oil and gas exploration and production in their neighborhoods. For example, a recent blowout in West Virginia injured seven workers. A town in Pennsylvania has nine square miles of groundwater contamination. In Texas, there have been almost 5,000 spills related to oil and gas operations since 2001, mostly onshore, releasing more than 18 million gallons of crude oil and other fluids. These are only a few examples.

For decades, the oil and gas industry has successfully influenced policy in Washington, D.C. to its own benefit. It has received enormous tax breaks, exemptions from environmental laws, and expedited approvals to drill on public lands. In the past ten years, the industry has expanded dramatically, with record numbers. For example, drilling has increased 260 percent on federal lands. Federal laws, regulations and oversight resources, however, have not kept pace with the dramatic expansion in the industry, the growing need for oversight and enforcement, or the latest environmental protection technologies that allow for a much smaller environmental footprint. It is clear that an updating of the laws governing exploration and production is long overdue.

As you consider legislation to reform oil and gas drilling, we ask for your leadership in Congress on comprehensive onshore reform that includes the following:

- **Close existing loopholes in our federal environmental laws:** Loopholes that benefit only the oil and gas industry exist in the Safe Drinking Water Act, Clean Water Act, Clean Air Act, Resource Conservation and Recovery Act, and Comprehensive Environmental Response, Compensation, and Liability Act. These loopholes must be closed to ensure that this industry complies with the same laws as any other industry. In addition, the public deserves to know what is in the chemicals being used through full disclosure. Industry has the technology available to comply with these laws. There is no justification to give citizens who live near oil and gas operations less protection than citizens who live near other toxic industrial facilities.

We support legislation to close loopholes in the Safe Drinking Water Act (H.R. 2766 and S. 1215) and the Clean Water Act (H.R. 5629), as well as additional legislation.

- **Restore balance to oil and gas operations on our public lands:** Although these lands belong to the American people, for years they have been exploited to benefit industry. Congress should eliminate permit shortcuts and categorical exclusions from NEPA authorized in 2005, mandate the best available technologies be used to protect the environment, ensure adequate reclamation bonds, authorize full cost recovery inspection and enforcement fees, require a fair return to the taxpayers through royalty reform, protect landowners who live above federal minerals, and maintain strong resource protection responsibilities in the land management agencies.

We support provisions of legislation to reform oil and gas activities on federal land, such as those included in the Consolidated Land, Energy, and Aquatic Resources Act of 2009 (H.R. 3534).

- **End corporate welfare to oil and gas companies:** According to the Center for American Progress, the oil and gas industry benefits from nine different tax deductions, preferences, and credits that will cost taxpayers about \$45 billion over the next 10 years.

We support legislation to eliminate taxpayer giveaways that only increase oil and gas company profits, including S. 3405, the Close Big Oil Tax Loopholes Act. We also support incentives for truly clean energy initiatives, including energy efficiency and renewable energy sources such as solar and wind.

- **Ensure that Federal research funds are not spent to help increase production and industry profits.** We support legislation to redirect federal research and development programs to focus on safety, accident prevention, and protecting health and the environmental protection.

We support legislation to ensure federal research is used to promote the public interest, health and safety instead of private profits, including S. 3509.

These are meaningful steps that Congress can take right now. We hope they will be accompanied by the comprehensive reform that must also take place in federal and state agencies. It is well known that the oil and gas industry has available to it many methods to reduce and prevent toxic releases into our air and water and onto our land. In many cases, these methods are also economically beneficial to the industry and pay for themselves. Unfortunately, these methods are not uniformly used. We believe the industry has the ability to comply with stronger laws and regulations without experiencing substantial harm. It is time for Congress to reform federal oversight and regulation of oil and gas production, both onshore and offshore. We would be happy to discuss these issues with you.

Thank you for your consideration.

Sincerely yours,

National Organizations

Earthjustice
EARTHWORKS Oil & Gas Accountability Project
Environment America
Food & Water Watch
National Alliance for Drilling Reform
National Audubon Society
Natural Resources Defense Council
OMB Watch
Public Citizen's Energy Program
Sierra Club
The Wilderness Society

Regional Organizations

Appalachian Mountain Club
Atlantic States Legal Foundation, Inc.
Biodiversity Conservation Alliance
Clean Air Council
Delaware Riverkeeper Network
San Juan Citizens Alliance
Western Organization of Resource Councils
Western Resource Advocates
WildEarth Guardians

Alabama

Black Warrior Riverkeeper

Arkansas

Arkansans for Gas Drilling Accountability
Arkansas Conservation Alliance
Citizens Against Resource Exploitation (CARE)
OMNI Center for Peace, Justice & Ecology

California

Ballona Network
Citizen's Coalition for a Safe Community
Grassroots Coalition

Colorado

Colorado Citizens Against ToxicWaste, Inc.
Citizen's Alliance for Responsible Urban Gas Drilling
Dvorak Kayak and Rafting Expeditions
EcoFlight
Environment Colorado
Navajo Ranch Homeowners Association Water Protection Committee
North Fork Ranch Landowner's Association
Western Colorado Congress
Wilderness Workshop

Georgia

Citizens Organized for Pipeline Safety (COPS)
NE Georgia Children's Environmental Health Coalition

Michigan

Citizens Against Environmental Destruction

New Mexico

Blancett Ranches
Common Ground United
Drilling Mora County

Drilling Santa Fe
New Mexico Environmental Law Center

New York

Citizens Campaign for the Environment
Environmental Advocates of New York
Hudson Highlands Land Trust
Riverkeeper
Oblong Land Conservancy
Putnam County Coalition to Preserve Open Space
Theodore Gordon Flyfishers, Inc.

Ohio

Northeast Ohio Gas Accountability Project

Pennsylvania

Allegheny Defense Project
Audubon Pennsylvania
Cooks Creek Watershed Association
Damascus Citizens for Sustainability
Montgomery County Lands Trust
Mountain Watershed Association
PennEnvironment
Pennsylvania Organization for Watersheds and Rivers
Pro-Pike-PA
Schmid & Company, Inc., Consulting Ecologists

Texas

Denton Citizens for Responsible Urban Drilling
Mineral Owners for Responsible Action and Land Safety
Texas Oil and Gas Accountability Project
WE CAN (Working Effectively for Clean Air Now)
Wise County Alliance for Responsible Drilling

Utah

Southern Utah Wilderness Alliance

West Virginia

West Virginia Citizen Action Group
West Virginia Surface Owners' Rights Organization

Wyoming

Powder River Basin Resource Council
Upper Green River Alliance
Wyoming Outdoor Council