



The Honorable Rob Bishop
Chairman
Committee on Natural Resources
United States House of Representatives
Washington, DC 20515

June 18, 2018

Dear Chairman Bishop,

We are writing today to endorse the bills discussed at your committee's legislative hearing on June 6, 2018, titled "Onshore Energy Development Bills." First, let us thank you for your dedication to ensuring royalty owners like us will see our resources developed and put into the stream of commerce, while also ensuring America's energy independence. Your leadership on this issue and many others is essential.

The National Association of Royalty Owners (NARO) has eleven chartered state and regional organizations covering much of the country. We have a vested interest in many of the policies discussed in your hearing and want to add our endorsement to the bills the committee is considering.

While it will be important for us to review any final bill text, we want to take this opportunity to endorse the concepts you outlined at the hearing.

First, any clarification of categorical exclusions will be enormously helpful to ensure minerals are developed on and around federal lands. There is a great deal of confusion in mineral development circles over the current categorical exclusions and their application. A full review under the National Environmental Policy Act (NEPA) is a costly and time-consuming process that should be used in the right circumstances. Currently NEPA reviews are being conducted on projects that have tangential impact on federal property or almost none at all. This legislation would help to clarify when NEPA review is needed and when the rights of private landowners must be respected, which should be the default.

Second, the bill that would allow for drilling on non-federal land without a permit from the Bureau of Land Management goes a long way to respecting the rights of private landowners to make decisions about the development of their mineral rights. This should be a bedrock principle in the relationship between the federal government and private owners where their rights are near each other but not overlapping.



Finally, and perhaps most importantly, we also endorse the bill clarifying that the BLM shall not be required to issue permits on privately held subsurface minerals when less than half to surface land is federally controlled. This federal government overreach is occurring today, specifically in the Eastern States Field Office as it relates to the Wayne National Forest, where an Environmental Assessment is currently required on property for any drilling-related activities that occur on private lands where there is federal nexus to forest land or minerals.

These bills are a great start to address key issues for royalty owners and we would be happy to provide further information to the Committee, if needed. We look forward to these bills moving forward soon to ensure private land and mineral owners are afforded the chance to control the disposition of their resources.

NARO is the only national organization representing oil and gas royalty owners' interests. Our mission is to promote and encourage exploration of minerals in the United States while preserving, protecting, advancing and representing the rights of mineral and royalty owners.

Sincerely,

Jerry Simmons, Executive Director