

Oil and Gas Pipelines: Agencies Should Improve Oversight of Decommissioning

GAO-24-106444

Q&A Report to the Ranking Member, Committee on Natural Resources, House of Representatives

January 18, 2024

Why This Matters

Oil and gas pipeline operators have installed at least 384,000 miles of onshore gathering pipelines across the United States. Gathering lines carry natural gas, crude oil, and other hazardous liquids from production wells to processing facilities, refineries, or transmission pipelines. Many are located on federal lands and were installed decades ago.

Of the approximately 650 million acres of federal lands, 95 percent are managed by the Department of Agriculture's Forest Service or the Department of the Interior's Bureau of Land Management (BLM), Fish and Wildlife Service (FWS), or National Park Service (NPS). These agencies oversee most of the oil and gas operations on federal lands. Such operations include gathering line decommissioning—the process that pipeline operators should follow, after oil and gas production has ended, to ensure any remaining gathering lines are safe and to restore the land to its natural state. Some stakeholders have raised concerns about potential environmental or safety risks that gathering lines on federal lands could pose if not decommissioned properly.

We were asked to review issues related to decommissioning oil and gas gathering lines on federal lands. This report examines the risks associated with gathering lines that are not decommissioned properly or in a timely manner and how agencies oversee decommissioning of gathering lines on federal lands.

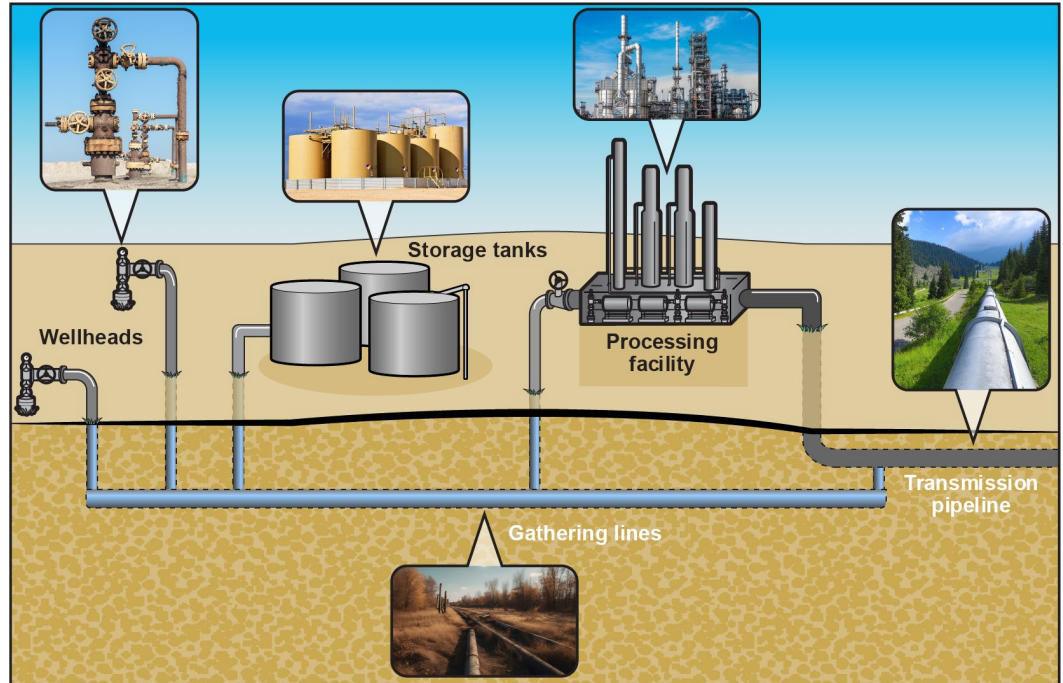
Key Takeaways

- If pipeline operators do not decommission gathering lines properly or in a timely manner, they could pose various safety and environmental risks, including spills, emissions, and explosions.
- It is unknown how many gathering lines are on federal lands or the extent to which operators have properly decommissioned them because agencies have limited data and have carried out limited oversight of decommissioning.
- Limited oversight can lead to orphaned gathering lines—those without any identifiable responsible parties. In such cases, the federal government may have to step in to manage and pay for decommissioning.
- To strengthen federal oversight of gathering lines on federal lands, we recommend that agencies develop plans to improve data collection for oversight purposes, further specify decommissioning timing requirements in some cases, and identify gathering lines presenting the greatest safety, environmental, or fiscal risks to prioritize.

What are gathering lines?

Gathering lines carry natural gas, crude oil, and other hazardous liquids from production wells to processing facilities, refineries, and transmission pipelines (see fig. 1). Production wells typically have at least one initial gathering line connected (commonly called a flow line). The flow line transports product to a storage tank, processing facility, or a gathering system (a network of pipelines collecting product from numerous wells).

Figure 1: Example of Gathering Lines and Other Oil and Gas Infrastructure



Source: GAO analysis (illustration); and Ded Pixto/salman2/Maverick/rCarner/vacancylizm/serikbaib/stock.adobe.com (photos). | GAO-24-106444

In addition to gathering lines, the overall pipeline system in the United States features diverse facilities and other types of pipelines. Transmission pipelines tend to be larger, operate at higher pressures, and may carry product to refining, processing, or storage facilities. Distribution pipelines transport natural gas to homes and businesses. Gathering lines (see fig. 2) and distribution pipelines tend to operate within a single state (intrastate), while transmission pipelines tend to transport product across state boundaries (interstate).

Figure 2: Examples of Gathering Lines and Associated Infrastructure

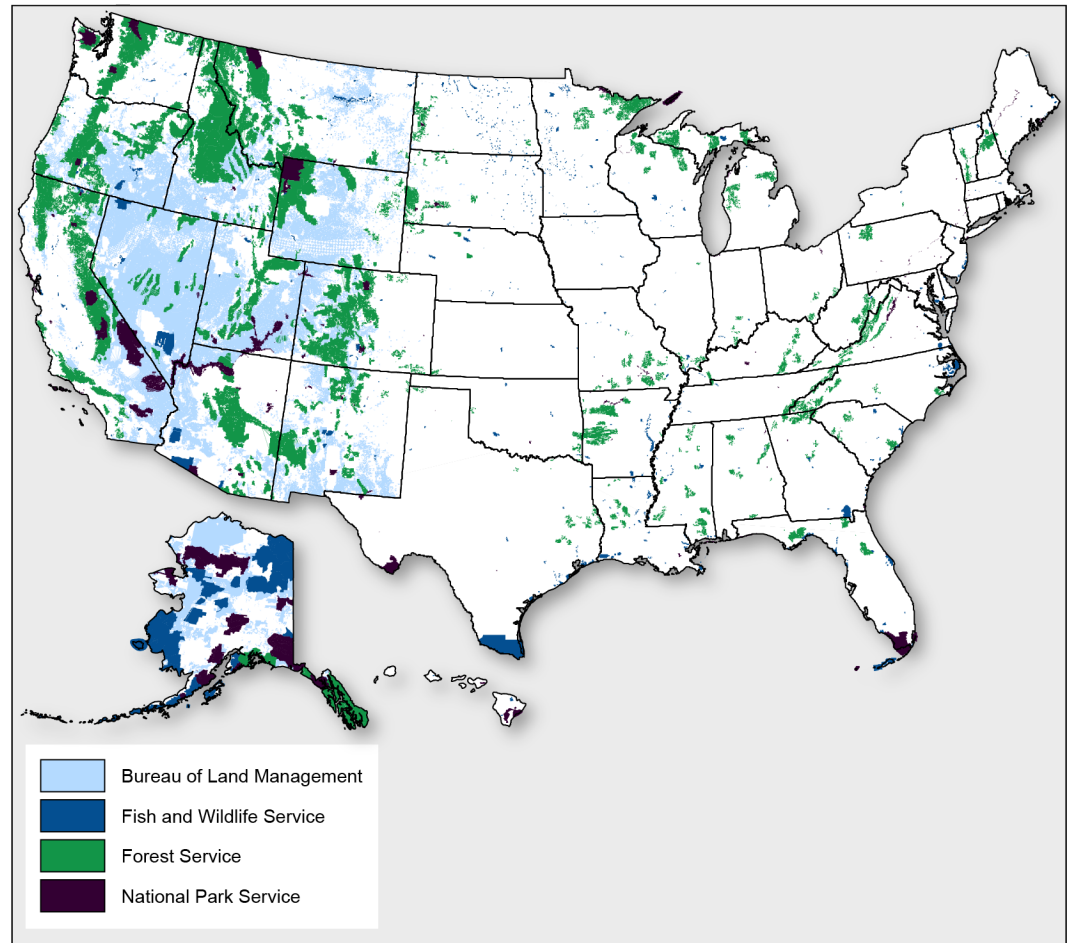


Source: GAO (left) and Fish and Wildlife Service (middle and right). | GAO-24-106444

On what federal lands are gathering lines typically found?

Though agencies generally do not collect the data to know the precise routes of gathering lines on federal lands, they are generally located on lands managed by the four agencies that oversee most oil and gas development: BLM, FWS, Forest Service, and NPS (see fig. 3). Most oil and gas development on federal lands occurs in western states—about 93 percent of oil production from federal lands is taking place in New Mexico, Wyoming, and North Dakota. However, oil and gas infrastructure can be found on federal lands across the country (see fig. 4). For example, most gathering lines on FWS-managed wildlife refuges are in Louisiana, Texas, and Oklahoma.

Figure 3: Federal Lands Managed by Bureau of Land Management, Fish and Wildlife Service, Forest Service, and National Park Service, as of September 2019



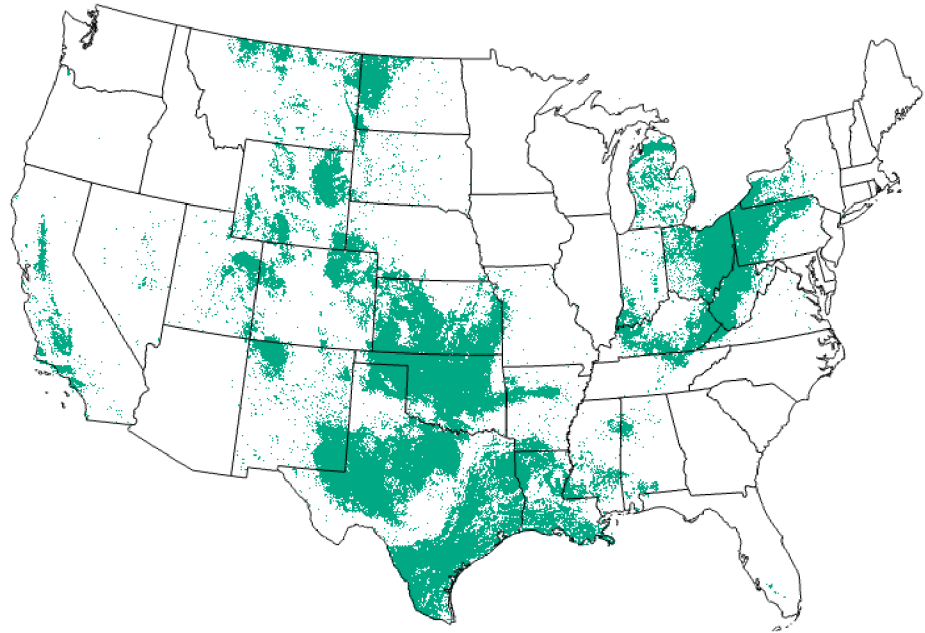
Sources: GAO analysis of U.S. Geological Survey's National Atlas website data; MapInfo (map). | GAO-24-106444

Typically, a land management agency regulates the following:

- gathering lines used to access federally leased mineral rights (on-lease) granted to an operator,¹
- the use of a federal surface to install and operate gathering lines off-lease or to access non-federally leased mineral rights (right-of-way), or
- the terms of access across federally managed lands for operators to develop existing non-federal mineral rights (e.g., reserved rights or inholdings).

Additionally, BLM is responsible for granting and overseeing rights-of-way for oil and gas pipelines that traverse federal lands managed by two or more agencies (excluding NPS), even if the pipeline does not cross BLM-managed land.²

Figure 4: U.S. Onshore Oil and Gas Wells, as of November 2023



Source: GAO analysis of Enverus data; and ArcGIS (map). | GAO-24-106444

The Department of Transportation’s Pipeline and Hazardous Materials Safety Administration (PHMSA), which oversees the safety of pipeline transportation, historically has not regulated most gathering lines.³ This is because gathering lines pose lower risks as they tend to be located in less populated areas and operate at low pressures. Over time, however, increased extraction of gas and oil from shale deposits has resulted in larger, higher pressure gathering lines, and development has brought populated areas closer to some rural gathering lines, increasing potential safety risks.

Because most gathering lines have historically not been regulated, available data about them are limited. In 2012, we recommended that PHMSA collect data from operators of historically unregulated onshore gathering lines.⁴ In 2019 and 2021, PHMSA issued regulations instituting new reporting requirements for operators of historically unregulated gathering lines.⁵ Specifically, among other things, the agency required all operators of hazardous liquid gathering lines to submit annual reports containing data on pipeline characteristics, such as diameter and age, starting in 2021. PHMSA required the same of all operators of natural gas gathering lines starting in 2023.

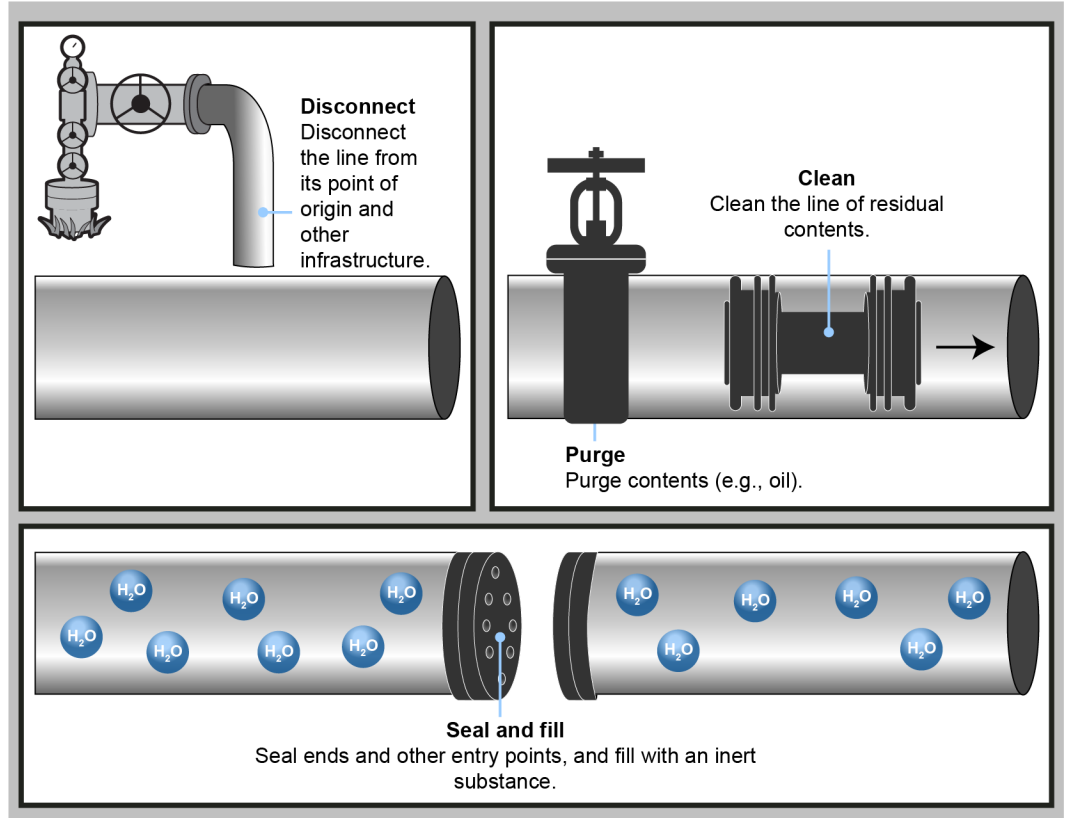
What is the standard process for operators to decommission gathering lines?

According to federal guidance, as well as agency officials and oil and gas industry representatives we spoke with, operators should take the following steps when decommissioning gathering lines:

- Disconnect the gathering line from its point of origin (e.g., wellhead), other pipelines, and any associated infrastructure.
- Purge contents (e.g., natural gas) and clean the gathering line.
- Remove the gathering line and associated infrastructure from the surface, as well as anything buried within a few feet of the surface.
- Seal the ends and any other entry points of buried lines.
- Fill buried gathering lines with an inert substance, such as water or nitrogen.
- Reclaim the surface—generally, to restore the site to a state approximating the condition it was in prior to oil and gas operations.

In figure 5, we illustrate some of these steps.

Figure 5: Examples of Gathering Line Decommissioning Activities



Source: GAO analysis (illustration). | GAO-24-106444

Aboveground gathering lines are usually removed while buried gathering lines remain in place to minimize disturbance to the surface. In either case, the land is then reclaimed. Such reclamation activities could include planting native vegetation, recontouring the soil, and taking erosion prevention measures.

What are the risks of improper or untimely decommissioning?

Gathering lines that were not decommissioned properly or in a timely manner have led to various safety and environmental risks, including spills, emissions, and explosions. Comprehensive data on incidents associated with gathering lines do not exist, though officials we interviewed highlighted the risks below.

Spills

The most common risk cited by officials we interviewed was spills from gathering lines. Hydrocarbons can remain in gathering lines that were not properly decommissioned. If those pipelines degrade over time or rupture from unexpected events, such as landslides, there could be spills that can contaminate soil and water, harm wildlife, and damage plants.

Emissions

If operators do not properly purge hydrocarbons when gathering lines are decommissioned, those pipelines can emit harmful gases. For example, methane is hazardous to humans, is flammable and potentially explosive, and is detrimental to the environment because it is a powerful greenhouse gas. The extent of methane emissions from improperly decommissioned gathering lines on federal lands is unknown.

Explosions

If gathering lines are not disconnected from wells, purged of product, or properly capped to prevent natural migration of product, they could leak hydrocarbons and cause an explosion if they are damaged during drilling or construction activities. For example, in 2017, homeowners in Colorado were replacing a water heater in their basement when they struck an improperly decommissioned gathering line on their property. Gas leaked from the gathering line and caused an explosion that killed two people and injured two others. According to the National Transportation Safety Board's report about this incident, the pipeline operator had failed to properly decommission the gathering line near the home. In addition, the homeowner was unaware of this because the local authorities had failed to confirm the location and status of nearby gathering lines before approving construction on the property.

What steps do agencies take to help ensure proper decommissioning?

To varying degrees, agencies seek to ensure proper decommissioning through administrative oversight, obtaining financial assurances, and on-site monitoring.

- **Approving reclamation plans.** Agencies require operators to submit reclamation plans prior to installing gathering lines and other oil and gas infrastructure. Once operations conclude, or a right-of-way permit terminates or is revoked, agencies expect operators to decommission the associated infrastructure in accordance with approved reclamation plans.
- **Requiring bonds.** Agencies currently require operators to post bonds or other financial assurances before most gathering lines are installed.⁶ These bonds help ensure that operators will decommission their infrastructure; if operators do not, they forfeit the amount of the bond.
- **Monitoring active gathering lines.** Agencies reported taking some action to monitor active gathering lines and identify those that should be decommissioned under existing regulatory programs. However, this monitoring is limited by staff availability, agency authority, and gathering line accessibility, among other factors.
- **Verifying decommissioning.** Agencies can witness the decommissioning process, view post-decommissioning reports, confirm reclamation activities are complete, or require third-party monitors to ensure operators meet decommissioning requirements.

What challenges do agencies face in ensuring proper decommissioning?

Agency efforts to ensure proper decommissioning may be hindered by insufficient bonding, data limitations, and ambiguous requirements.

Insufficient bonding

Officials from all four agencies told us that operators have not posted sufficient bonds to decommission all existing gathering lines, but they are taking steps to address this issue. For example, both FWS and NPS updated their regulations in 2016 to require operators to provide sufficient financial assurance.⁷ However, since FWS and NPS have not historically collected bonds for many existing gathering lines, it will take time to bring operators into compliance.

In a 2021 report, BLM acknowledged that insufficient bonding levels provide an inadequate incentive for operators to decommission oil and gas infrastructure.⁸ In 2023, BLM proposed new regulations that would increase bond minimums collected for on-lease activities, and officials told us they plan to issue additional new regulations increasing bonds for rights-of-way.⁹

Data limitations

Agencies do not know the number, status, and precise routes of all gathering lines on federal lands, based on our analysis of available data and interviews with agency officials. Across the four agencies, gathering line data are limited, incomplete, and can be difficult to access if only hard copy records exist.

- BLM has ready access to detailed data for the more than 95,000 wells on federal leases, but its databases do not include any data for the gathering lines associated with those wells.
- NPS and FWS databases also focus on wells. Both agencies have little to no data for the gathering lines associated with those wells.
- BLM and Forest Service, which collectively manage nearly 39,000 rights-of-way with gathering lines, collect some information about those gathering lines but the data are limited. For example, neither agency tracks information on operating status (e.g., active, idle, decommissioned, etc.) or the precise routes of gathering lines.

Further, officials from all four agencies told us that some information about gathering lines is maintained in field offices, but this information may be difficult for staff outside of those field offices to access and use for monitoring purposes.

In addition, officials from all four agencies said data can be even more sparse for older gathering lines, which in some cases were installed prior to federal management of the land. This challenge is compounded because many older gathering lines are buried, which makes them difficult to find, according to agency officials.

While PHMSA issued regulations requiring new data reporting, operators are only required to submit geospatial data representing the precise locations of a subset of gathering lines.¹⁰ Also, for orphaned gathering lines, there is no operator to report data.

Ambiguous timing requirement

For the nearly 39,000 gathering lines on BLM and Forest Service rights-of-way, the timing requirement for decommissioning is ambiguous, which results in a deference to operators that can affect agency oversight. BLM and Forest Service regulations specify triggers for termination and revocation of rights-of-way. However, upon termination or revocation, both agencies' regulations direct operators to decommission "within a reasonable time."¹¹ This does not set a clear expectation of timeliness that agencies can effectively enforce. Some agency officials told us that they primarily rely on operators to identify when they intend to decommission gathering lines.

According to *Standards for Internal Control in the Federal Government*, agencies should define objectives in specific and measurable terms that are fully and clearly set forth so they can be easily understood.¹² Without specific decommissioning timing requirements, BLM and Forest Service cannot ensure that operators decommission gathering lines in a timely manner. If they are not decommissioned in a timely manner, gathering lines may become orphaned, with no existing party responsible if operators go out of business. This can lead to the federal government having to pay for decommissioning. With more specific decommissioning timing requirements, agencies can strengthen their oversight and mitigate the federal government's fiscal exposure caused by orphaned gathering lines.

How are agencies improving limited data?

Agencies are taking some steps to improve limited data, but those efforts are ad hoc and not comprehensive. Examples of strategies to improve data being implemented by some agencies and field offices include the following:

- **Digitizing existing paper files.** For gathering lines on federal lands that were installed decades ago, agency officials told us any existing information is only available on hard copy maps or surveys stored in field offices. Although digitizing these paper copies can be time- and resource-intensive, two BLM field offices told us that they have started to digitize this information. For example, beginning in 2009, officials from one BLM field office told us they undertook an extensive effort to digitize maps and aerial imagery. As a result, the field office now has geospatial data for about 90 percent of the gathering lines in its region, according to officials.
- **Acquiring geospatial data from operators.** Some agency officials in field offices told us they are now requiring operators to submit geospatial data when installing new gathering lines. Another agency told us it worked with operators to map existing gathering lines and provide that geospatial data. Although it took the operator nearly 10 years to map its gathering lines, FWS noted it can now use those maps to identify potential leak sources and to avoid abandoned gathering lines when conducting regular maintenance activities, such as mowing.
- **Improving existing data systems.** In 2022, FWS officials told us they added several data fields for gathering line records to FWS's existing database. Those data fields may eventually provide staff with additional information to oversee decommissioning, such as operating status. However, officials said it will take years to fully collect the data necessary to populate those new data fields for existing gathering lines.
- **Collecting geospatial data during inspections.** Staff from NPS and one of BLM's field offices told us they gather geospatial route data when they conduct compliance inspections of gathering lines. During those inspections, staff use devices to collect geospatial data, which can then be uploaded to local databases when the staff return to the office.
- **Collecting data through external sources.** Some agencies told us that they collected gathering line data from external sources. Two agencies mentioned collaborating with state regulatory agencies that collect geospatial route data. One agency purchased a subscription for proprietary data that a vendor provides for the oil and gas industry. In addition, staff from one BLM field office reported that they work with local organizations, such as water associations, to collect data for gathering lines in their region.
- **Identifying undocumented infrastructure.** Some agencies are using funding from the 2021 Infrastructure Investment and Jobs Act (IIJA) to identify oil and gas infrastructure that is not currently documented in their databases.¹³ For example, NPS developed a protocol for its inspectors to review existing records at state agencies and search for any evidence on park lands that might indicate improperly decommissioned infrastructure, such as complaints about water quality in the area.

These steps are likely to result in improved data over time, but they have been undertaken in an ad hoc manner and vary from field office to field office. None of the agencies has a documented plan to ensure they are collecting and maintaining the data needed to oversee decommissioning activities.

Standards for Internal Control in the Federal Government call for management to use quality information to achieve the agency's objectives. Quality information is

appropriate, current, complete, accurate, accessible, and provided on a timely basis. Developing a plan with a timeline for implementing data improvement efforts would provide management the assurance that officials are collecting and maintaining the data needed to oversee decommissioning. Specifically, a documented plan would identify what data are needed, potential sources for the data, timelines to collect or acquire the data, and how best to maintain the data over time, ensuring that they remain current and accessible.

What happens to gathering lines that are orphaned?

When gathering lines are orphaned, the federal government has stepped in to decommission some orphaned gathering lines. However, agencies have limited resources, and most of the agencies have not taken actions that will be necessary to prioritize the gathering lines that pose the greatest risks.

While the total number of orphaned gathering lines is unknown, implementation of the IIJA presents agencies with an opportunity to decommission the riskiest gathering lines. Congress authorized and appropriated \$250 million in funding, available through September 2030, to decommission orphaned gathering lines and other orphaned infrastructure.¹⁴

All four agencies have taken steps to identify orphaned gathering lines to decommission with IIJA funding. As of September 2023, Interior had approved projects that will cost more than \$82 million, including \$23 million for Forest Service. For example, in one funded project that will cost \$3.1 million, Forest Service will remove 31 miles of orphaned gathering lines in the Monongahela National Forest and reclaim the land. According to the agency, the gathering line—which contains unknown quantities of hydrocarbons—could leak or emit methane near ecologically and biologically diverse habitats that are home to endangered species. The gathering line also crosses several walking paths in the forest, and visitors have been injured when they accidentally walked on sections of the gathering line.¹⁵

Agencies' use of IIJA funding will address some orphaned infrastructure, but agencies told us that IIJA funding will not be sufficient to decommission all of it. For example, Forest Service officials said that even if all of the \$250 million was provided solely to Forest Service, those funds would allow for decommissioning of only 5 to 10 percent of the known and expected orphaned infrastructure on Forest Service lands.

The IIJA provides funding to decommission existing orphaned gathering lines and calls for agencies to rank those lines for priority in decommissioning.¹⁶ Agencies also need to analyze the risks associated with other gathering lines they oversee in order to prioritize their oversight over the riskiest. This is because additional lines may eventually become orphaned and some of those may pose substantial safety, environmental, or fiscal risks.

According to *Standards for Internal Control in the Federal Government*, agencies should identify, analyze, and respond to risks related to achieving the defined objectives. We found that only NPS has assessed the potential risks of gathering lines on its lands. When updating its regulations in 2016 and preparing an Environmental Impact Statement, NPS analyzed risks from oil and gas operations, including gathering lines, and identified additional risk mitigations.¹⁷ No other agencies have analyzed the risks associated with the gathering lines they oversee. Assessing risks would allow agencies to adequately prioritize those gathering lines that pose the greatest safety, environmental, or fiscal risks for either oversight attention if lines are active, or decommissioning if lines are orphaned.

Conclusions

Gathering lines have generally been seen as low risk, and this has likely contributed to agencies historically exerting less oversight over their decommissioning. More recent changes in the size, pressure, and locations of gathering lines—as well as an explosion in 2017 that killed two people—have highlighted that even relatively low-risk infrastructure can be deadly if not properly decommissioned.

Agencies have taken steps in recent years to enhance their oversight of gathering line decommissioning, addressing some of the challenges we identified that agencies face in ensuring proper decommissioning. For example, BLM has proposed regulations that would increase bond minimums, and field offices have taken steps to improve their limited data.

However, we found that agencies generally lack the data needed to effectively oversee decommissioning and do not have plans to help ensure they collect needed data in the future. Having plans would help agencies to ensure that data improvement efforts succeed in yielding the data needed to effectively oversee gathering line decommissioning.

Additionally, we found that BLM and Forest Service have vague requirements for when operators should decommission gathering lines on nearly 39,000 rights-of-way. Without specifying time frames in which such lines should be decommissioned, operators may choose to delay decommissioning as long as possible, potentially resulting in additional orphaned gathering lines.

Federal government cleanup of orphaned infrastructure abandoned by private operators results in federal fiscal exposure. IIJA funding will address some of that orphaned infrastructure, but agencies told us that IIJA funding will not be sufficient to clean up all of it. Moreover, additional gathering lines that are not currently orphaned may eventually become orphaned, and some may pose substantial risks. Of the four agencies, only NPS has assessed risk to prioritize the riskiest gathering lines for oversight and decommissioning.

Recommendations for Executive Action

We are making nine recommendations—six to the Department of the Interior and three to the Department of Agriculture. Specifically:

The Director of BLM should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines. (Recommendation 1)

The Director of BLM should further specify when gathering lines should be decommissioned following the termination or revocation of rights-of-way. (Recommendation 2)

The Director of BLM should analyze all gathering lines BLM oversees to identify and prioritize those that pose the greatest safety, environmental, or fiscal risks for oversight and decommissioning. (Recommendation 3)

The Director of FWS should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines. (Recommendation 4)

The Director of FWS should analyze all gathering lines FWS oversees to identify and prioritize those that pose the greatest safety, environmental, or fiscal risks for oversight and decommissioning. (Recommendation 5)

The Director of NPS should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines. (Recommendation 6)

The Chief of the Forest Service should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines. (Recommendation 7)

The Chief of the Forest Service should further specify when gathering lines should be decommissioned following the termination or revocation of rights-of-way. (Recommendation 8)

The Chief of the Forest Service should analyze all gathering lines the Forest Service oversees to identify and prioritize those that pose the greatest safety, environmental, or fiscal risks for oversight and decommissioning. (Recommendation 9)

Agency Comments

We provided a draft of this report to the Department of Interior and Department of Agriculture for review and comment. In its comments, reproduced in appendix I, Interior concurred with our recommendations. In its comments, reproduced in appendix II, Agriculture generally concurred with our recommendations. Interior and Agriculture provided technical comments, which we incorporated as appropriate.

How GAO Did This Study

To examine risks associated with gathering lines that are not decommissioned properly and how agencies oversee decommissioning, we reviewed agency documentation and prior GAO reports, and conducted a literature search for studies or reports published over the past 10 years. We used key terms to search relevant databases, such as ProQuest, SCOPUS, and Petroleum Abstracts.

We also reviewed relevant laws, regulations, policies, and guidance related to decommissioning gathering lines. Then we compared agencies' decommissioning oversight activities with their responsibilities outlined in regulations, policies, and standards for internal control.

To collect a range of perspectives about risks and how agencies oversee decommissioning, we interviewed a nongeneralizable sample of 35 knowledgeable stakeholders, including agency officials from headquarters and field offices, state agency officials, representatives from the oil and gas industry, and members of environmental advocacy and pipeline safety organizations. Because we selected a nongeneralizable sample of organizations to interview, the information gathered is not generalizable to organizations beyond those we interviewed.

We conducted this performance audit from January 2023 to January 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Addressee

The Honorable Raúl M. Grijalva
Ranking Member
Committee on Natural Resources
House of Representatives

GAO Contact Information

For more information, contact: Frank Rusco, Director, Natural Resources and Environment, at (202) 512-3841 or ruscof@gao.gov.

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Staff Acknowledgments: Quindi Franco (Assistant Director), Jeremy Williams (Analyst in Charge), Peggie Garcia, William Gerard, Cindy Gilbert, Kaelin Kuhn, Joseph Maher, Matt McLaughlin, Madhav Panwar, Jerry Sandau, Sara Sullivan, and Sara Vermillion.

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United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

Mr. Frank Rusco
Director, Natural Resources and Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Rusco,

Thank you for providing the Department of the Interior (Department) an opportunity to review and comment on the draft Government Accountability Office (GAO) report titled, "*Oil and Gas Pipelines: Agencies Should Improve Oversight of Decommissioning*" (GAO-24-106444). We appreciate GAO's review of the Department's risks associated with gathering lines that are not decommissioned properly or in a timely manner and how agencies are overseeing the decommissioning of gathering lines on federal lands.

The GAO issued multiple recommendations, including six to the Department of Interior to address its findings. Below is a summary of actions taken or planned to implement the recommendations:

Recommendation 1: The Director of BLM should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines.

Response: Concur. The BLM will develop a documented plan to ensure the collection and maintenance of data necessary to oversee the proper and timely decommissioning of oil and gas gathering pipelines located on Rights-of-Way (ROW). Gathering lines located on oil and gas leases are identified in the Application for Permit to Drill (APD), associated to the well, and tracked in the Automated Fluid Minerals Support System (AFMSS).

Target Date: February 15, 2025

Recommendation 2: The Director of BLM should further specify when gathering lines should be decommissioned following the termination or revocation of rights-of-way.

Response: Concur. The BLM will issue policy to strengthen Federal oversight of decommissioning activities for gathering lines and pipelines issued through grant authorizations on Federal lands. The policy will include guidance on timelines for decommissioning.

Target Date: February 15, 2025

Recommendation 3: The Director of BLM should analyze all gathering lines BLM oversees

to identify and prioritize those that pose the greatest safety, environmental, or discal risks for oversight and decommissioning.

Response: Concur. The BLM actively analyzes all on-lease gathering lines. This is done in accordance with the Mineral Leasing Act of 1920, as amended, implementing regulations, and risk-based policies. The regulations are at 43 CFR 2880 and 43 CFR 3100. The risk-based policies include the Inspection Strategy Instruction Memorandum (IM), the Idled Well IM and the Orphaned Well IM. Additional tools for analyzing gathering lines issued with a ROW authorization will be included in the plan as required by Recommendation 1 listed above.

Target Date: February 15, 2025

Recommendation 4: The Director of FWS should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines.

Response: Concur. The FWS will develop a documented plan to update the National Wildlife Refuge System oil and gas permitting and inspection process to collect and maintain the necessary information and geospatial data to manage the decommissioning of gathering lines.

Responsible Official: Chief, National Wildlife Refuge System

Target Date: January 15, 2025

Recommendation 5: The Director of FWS should analyze all gathering lines FWS oversees to identify and prioritize those that pose the greatest safety, environmental, or fiscal risks for oversight and decommissioning.

Response: Concur. The FWS will update its oil and gas inspection process to assess gathering lines associated with existing and new oil and gas operations on refuge lands for monitoring and decommissioning based on safety, health, environmental, and/or fiscal risks.

Responsible Official: Chief, National Wildlife Refuge System

Target Date: January 15, 2025

Recommendation 6: The Director of NPS should develop a documented plan to ensure the agency collects and maintains the data necessary to oversee the decommissioning of gathering lines.

Response: Concur. The NPS will develop this plan to support, guide, and enhance its current efforts to collect this data. These current efforts include bringing oil and gas operators in national park units into compliance with NPS regulations at 36 C.F.R. Part 9, Subpart B, which apply to nonfederal oil and gas operations including gathering lines. In addition to regulatory oversight and adequate bonding, the plan will include the NPS's collection and maintenance of data as part of its ongoing inspections of oil and gas well sites in park units and related facilities, including gathering lines.

Responsible Official: Geologic Resources, Natural Resource Stewardship & Science
Target Date: December 31, 2024

We've included technical comments on the draft report as an Enclosure to this correspondence for your consideration. If you should have any questions or need additional information, please contact the PFM AM team at DOI_PFM_AM@ios.doi.gov.

Sincerely,

**JOAN
MOONEY**

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JOAN MOONEY
Date: 2024.01.05
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Joan M. Mooney
Principal Deputy Assistant Secretary
Exercising the Delegated Authority of the Assistant
Secretary for Policy, Management and Budget

Enclosure

Appendix II: Comments from Department of Agriculture



Forest
Service

Washington Office

1400 Independence Avenue, SW
Washington, D.C. 20250

File Code: 1420
Date: 12/12/23

Mr. Frank Rusco
Director, Natural Resources & Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Rusco:

The U.S. Department of Agriculture (USDA) Forest Service appreciates the opportunity to respond to the U.S. Government Accountability Office's (GAO) draft report titled, "Decommissioning Oil & Gas Pipelines on Federal Lands (GAO-24-106444)."

The Agency generally agrees with the GAO draft report and recommendations and will create a corrective action plan to address the GAO findings. The plan will focus on collecting necessary data for future oversight and decommissioning of oil and gas pipelines on the National Forest System, prioritizing pipelines that pose the greatest risks.

Thank you again for the opportunity to review the draft report. If you have any questions, please contact Robert Velasco, Chief Financial Officer, at robert.velasco@usda.gov.

Sincerely,

RANDY MOORE
Chief



Caring for the Land and Serving People

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Endnotes

¹We use the term “operator” to refer to pipeline operators and operating rights owners on federal oil and gas leases, as well as to federal lessees, right-of-way/easement grantees, special use permittees, and any other permittees for access to reserved rights, among others owning or operating the gathering pipelines addressed in this report.

²Statutory authorities and regulatory requirements are often different for oil and gas development in Alaska. Additionally, we did not identify many gathering lines on federal lands in Alaska. For these reasons, we excluded Alaska from our review.

³We refer to hazardous liquid and natural gas gathering lines that were not subject to PHMSA’s regulations prior to the issuance of the 2019 and 2021 rules as “historically unregulated.” One category of pipelines subject to PHMSA’s safety requirements, beyond annual and accident reporting, are regulated rural gathering lines. These are defined as any onshore hazardous liquid, including oil, gathering line in a rural area that has a diameter within a specified 2-inch range, operates at or above a certain maximum pressure, and is located in or near an environmentally sensitive area. 49 C.F.R. § 195.11. PHMSA specifies final reporting requirements when regulated gas and hazardous liquid pipelines that cross commercially navigable waterways are abandoned, as well as abandonment and deactivation procedures for regulated gas pipelines. *Id.* §§ 192.727, 195.59.

⁴GAO, *Pipeline Safety: Collecting Data and Sharing Information on Federally Unregulated Gathering Pipelines Could Help Enhance Safety*, [GAO-12-388](#) (Washington, D.C.: Mar. 22, 2012).

⁵84 Fed. Reg. 52260 (Oct. 1, 2019); 86 Fed. Reg. 63266 (Nov. 15, 2021).

⁶BLM, Forest Service, and the Fish and Wildlife Service may, but do not always, require a bond for rights-of-way or other off-lease permits.

⁷81 Fed. Reg. 77972, 77980, 78002 (Nov. 4, 2016); 81 Fed. Reg. 79948, 79979 (Nov. 14, 2016).

⁸Department of the Interior. *Report on the Federal Oil and Gas Leasing Program: Prepared in Response to Executive Order 14008* (November 2021).

⁹88 Fed. Reg. 47562, 47579–80, 47627–28 (July 24, 2023).

¹⁰While most gathering line operators do not have to submit geospatial data for those pipelines into PHMSA’s mapping system, operators of regulated rural hazardous liquid gathering lines (including oil) are required to do so. See 49 C.F.R. § 195.11(b)(4).

¹¹36 C.F.R. § 251.60(i); 43 C.F.R. § 2886.19(a).

¹²GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: September 2014).

¹³Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat. 429 (2021) (IIJA).

¹⁴See IIJA, Pub. L. No. 117-58, § 40601, 135 Stat. 429, 1081–82, 1090–91 (2021) (codified in relevant part at 42 U.S.C. §15907(b), (h)(1)); see also *id.* 135 Stat. at 1395. Specifically, the act authorized and appropriated \$250 million to establish programs to plug, remediate, and reclaim orphaned wells located on federal lands managed by the Departments of Agriculture and the Interior. Pipelines associated with orphaned wells are included in the scope of the program. See 42 U.S.C. § 15907(b)(2).

¹⁵In technical comments provided in response to an earlier draft of this report, Forest Service told us that they had identified an existing pipeline operator as a responsible party and will seek to redirect the awarded IIJA funds to a different project.

¹⁶IIJA § 40601, 135 Stat. at 1081–82, 1090–91 (codified in relevant part at 42 U.S.C. §15907(b), (h)(1)); see also *id.* 135 Stat. at 1395.

¹⁷DOI/NPS, “Revision of 9b Regulations Governing Non-Federal Oil and Gas Activities--Final Environmental Impact Statement” (2016); see also 81 Fed. Reg. 77972 (Nov. 4, 2016).