Department of the Interior

Orphaned Wells Program Office

Energy Community Revitalization Program
Tribal Opportunities under the Infrastructure Investment and Jobs Act

Guidance: Phase 2 Tribal Orphaned Well Site Plugging, Remediation, and Restoration In-Lieu-of-Grants Assistance

1. Authority

Awards are authorized per:

Public Law 117-58, Infrastructure Investment and Jobs Act, Division D, Title VI, Methane Reduction Infrastructure, Section 40601, Orphaned well site plugging, remediation, and restoration.

42 U.S.C. § 15907, Energy Policy Act of 2005, as amended

2. Program Background, Objectives, and Goals

On November 15, 2021, President Biden signed the Infrastructure Investment and Jobs Act (Public Law 117-58), also known as the Bipartisan Infrastructure Law (BIL), making a once-in-a-generation investment in the Nation's infrastructure and economic competitiveness. This landmark investment will rebuild America's critical infrastructure, tackle the climate crisis, address legacy polluted sites, advance environmental justice, and drive the creation of good-paying union jobs.

Section 40601 of the BIL marks a historic effort to confront the potent atmospheric pollution that orphaned oil and gas wells emit, while also accounting for the legacy impact that orphaned wells have on the environment around them. Section 40601 provides a total of \$4.7 billion for orphaned-well-related activities, including \$150 million appropriated for plugging, remediating, and reclaiming orphaned wells on Tribal lands through grants to Indian Tribes (Tribes) or In Lieu of Grant assistance.

The Department of the Interior (Department), Orphaned Wells Program Office (OWPO), was established under Secretary Order No. 3409 and is a program covered under the Justice40 Initiative, which was established in Executive Order 14008, Tackling the Climate Crisis at Home and Abroad. OWPO has assumed responsibility for the administration of the Tribal Orphaned Wells Program (OWP) from the Office of Environmental Policy and Compliance, which issued guidance concerning the first phase of funding for grants and In Lieu of Grant assistance in 2023 (Phase 1).

3. Type of Assistance

This document describes application requirements for In Lieu of Grant (ILOG) assistance. Tribes may request that the Secretary administer and carry out plugging, remediation, and reclamation activities related to eligible orphaned wells on behalf of the Tribe by submitting a request for ILOG assistance according to requirements and application procedures described in this document.

4. Phase 2 ILOG Assistance Information

Available Funding: \$5,000,000

Maximum Award: Subject to available funding

Application Deadline: Applications accepted and awarded on a rolling basis (subject to

available funding)

5. Eligibility Requirements and Restrictions

Applicants are limited to Tribes, as defined by 42 U.S.C. § 15907(a)(3), as any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (85 Stat. 688), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

6. Eligible Activities

Funds awarded under this opportunity may include planning activities, including identification, inventory, and assessment, and implementation activities for the plugging, remediation, and reclamation of orphaned wells and well sites located on Tribal land.

A Tribe that requests for ILOG assistance under this opportunity may not apply for a Phase 2 Program Development or Implementation Grant. Learn more about <u>Phase 2 OWP Tribal Grant guidance</u>, including requirements for application through GrantSolutions.

With respect to Tribal land, the term "orphaned well" means:

- 1) A well that is not used for an authorized purpose, such as production, injection, or monitoring; and
- 2) A well for which no operator can be located; or

A well for which a locatable operator is unable to plug the well and remediate and reclaim the well site.

Under this opportunity, an orphaned well is or was associated with oil and gas production, including wells and associated features whose design or uses were not directly related to production, such as injection, monitor, or disposal wells.

"Tribal land" is defined as any land or interest in land owned by a Tribe, the title to which is:

- 1) Held in trust by the United States; or
- 2) Subject to a restriction against alienation under Federal law.

This includes plugging, abandonment, and reclamation of wells drilled into minerals that are held in trust or restricted status for a Tribe, even if the surface estate is not; and remediation of surface that is held in trust or restricted status for a Tribe, even if the minerals are not.

Lands owned by individual Indians in trust or restricted status are not eligible. Applicants inquiring about plugging, remediating, and reclaiming orphaned wells on ineligible Indian lands are invited to contact the Department's technical specialists to identify relevant funding opportunities.

7. Requests for In-Lieu-of-Grant Assistance

A Tribe requesting ILOG assistance must submit a letter of request to the Department, through the Indian Energy Service Center (IESC), for the Secretary to administer and carry out plugging, remediation, and reclamation activities relating to the orphaned well(s) on behalf of the Tribe. The request should include, if available, lease number(s) and well name(s), and location data, in addition to any information the Tribe

has related to whether proposed wells pose environmental risks or human health hazards. This information will assist Department in prioritizing ILOG requests.

A Tribe's letter of request must be submitted on Tribal letterhead and bear the signature of the Tribe's governing body's authorized representative. <u>Please submit ILOG assistance requests to</u>:

Indian Energy Service Center-Bureau of Indian Affairs 720-595-2000 Indian Energy Service Center email address

Learn more about the Department's <u>Tribal Orphaned Wells Program</u>, including <u>a schedule of</u> informational webinars and office hours.