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May 23, 2016

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Utah

Virginia

West Virginia

Wyoming

The Honorable John Hickenlooper  
Governor of Colorado  
Office of the Governor  
136 State Capitol Building  
Denver, Colorado 80203

Dear Governor Hickenlooper,

As the executive director of the Interstate Oil and Gas Compact Commission (IOGCC), I am forwarding a resolution adopted by unanimous vote of the IOGCC member states at our 2016 Annual Business Meeting in Denver, Colorado, entitled "Expressing Support for Proposed Legislation to Grant Indemnity Selections for State Trust Lands in Federal Conservation Areas".

Many western states are heavily burdened with federal acreage and federal regulations are becoming more restrictive. The IOGCC supports the idea that state land and regulatory managers are best at governing oil and gas development in their states, and that it is better handled on a state-by-state basis. The federal government has established monuments and conservation areas. Many times this creates a checkboard pattern with state lands that inhibits oil and gas development. Energy companies need large blocks of land for resource plays and development and are not interested in small, one-section parcels of state land if the balance of the lands are unavailable. This paradigm results in a diminishment of the value of the state lands which were given originally to the states for the support of public education and other beneficiaries.

One solution to at least a part of this conundrum is for the states to be able to trade out of wilderness, conservation or other federally protected areas and into lands that can be developed for minerals. This is the beginning of an exchange process that can take many years to complete. The federal exchange process, when it involves minerals involves years of analysis, appraisal and negotiation. It becomes uneconomic and almost impossible for states to embark on the exchange process and be able to get a return on its investment in new areas. The Western States Land Commissioners Association, which has representatives from all the Western states land offices, has approved a similar resolution.

I welcome any opportunity to work with and assist you on matters related to our nation's energy resources. Please contact me if I can provide you or your staff with more background on this or any other energy policy matters. You can reach me or another IOGCC staff member at 405.525.3556 or email Hannah Barton at [hannah.barton@iogcc.state.ok.us](mailto:hannah.barton@iogcc.state.ok.us).

Sincerely,

Carl Michael Smith  
Executive Director  
Interstate Oil and Gas Compact Commission

Enclosure: IOGCC Resolution 16.051



## RESOLUTION 16.051

### **Expressing Support For Proposed Legislation To Grant Indemnity Selections For State Trust Lands In Federal Conservation Areas**

**WHEREAS**, at the Annual Business Meeting of the Interstate Oil and Gas Compact Commission ("IOGCC") held in Salt Lake City, Utah in May 2015, a representative from a body of land commissioners known as the Western States Land Commissioners Association ("WSLCA") made a presentation to the Public Lands Committee of IOGCC regarding State Trust Land Strategies and Opportunities for Collaboration; and

**WHEREAS**, the Public Lands Committee presentation discussed a key initiative of WSLCA to support federal legislation that would grant to states the right to select unappropriated federal public lands upon relinquishment to the United States of title to state trust lands located within federal conservation areas as a means of eliminating conflicts between state and federal land management within federal conservation areas; and

**WHEREAS**, lands transferred to state control could provide potential additional development areas for oil and gas development; and

**WHEREAS**, the need for additional legislative means for resolving problems created by the location of state trust lands inholdings inside federal conservation areas remains pressing; and

**WHEREAS**, there is pending legislation in Congress that has been developed through consultation and discussions with conservation groups, other governmental entities, and the public; and prior draft legislation proposals have been refined to take into account concerns and comments expressed by such groups; and

**WHEREAS**, IOGCC's mission to promote efficient recovery of domestic oil and natural gas resources correlates with WSLCA's initiative, and there is an opportunity to collaborate with WSLCA in support of legislative action to resolve the matter of state trust lands held within federal conservation areas; and

**WHEREAS**, IOGCC and its member states support legislative efforts to address this issue.

**BE IT THEREFORE RESOLVED THAT** the IOGCC does hereby support and endorse legislative actions by Congress to remove state trust lands from within federal areas and select unappropriated federal lands in lieu, and further requests that the members of the congressional delegations of each IOGCC state take action as necessary to achieve this objective.