



The Stop Orphaned Wells Act

U.S. Senator Michael Bennet

Ensuring Oil & Gas Companies Clean Up the Wells They Drill on Public Lands

Orphaned oil and gas wells are a significant liability for taxpayers and a growing threat to [water resources](#), [air quality](#), [wildlife habitat](#), and private lands. Across the country, there are over [140,000 documented orphaned wells](#), including more than 15,000 [on federal lands](#), harming big game, recreation, and private land values while polluting local communities. Taxpayers have spent billions cleaning up these abandoned sites, including a [\\$4.7 billion investment in 2021](#). While this funding is critical, it does not fix this broken system that lets irresponsible operators walk away and burdens taxpayers with [billions in cleanup costs](#).

The Stop Orphaned Wells Act helps fix this system by closing long-standing industry loopholes. Building on Senator Bennet's 2021 [Oil and Gas Bonding Reform and Orphaned Well Remediation Act](#) and recent state-level reforms in [Colorado](#), [New Mexico](#), [Texas](#), and [Utah](#), the bill ensures operators, not taxpayers, pay for cleanups. This aligns directly with Western voters' expectations, [nearly 9 in 10](#) of whom believe oil and gas companies should cover reclamation costs once drilling ends.

Specifically, the Stop Orphaned Wells Act would:

- **Strengthen Financial Assurances:** Codifies and strengthens [Bureau of Land Management](#) (BLM) financial rules, recommended by the [Government Accountability Office in 2019](#) and updated for inflation, by setting bond minimums at \$200,000 for individual leases and \$650,000 for all leases statewide, while eliminating nationwide bonds. Requires full-liability bonds for operators with high numbers of idled wells and allows the public to petition for higher bonds on at-risk operations.
- **Close Transfer Loopholes:** End "[the playbook](#)" practice of transferring low-producing wells to financially unstable shell companies that declare bankruptcy to avoid cleanup. Requires detailed financial accounting, public reporting, and public participation before BLM can approve lease transfers.
- **Enforce Predecessor Liability:** Ensure original drillers remain liable for cleanup costs accrued during their ownership, even after selling a well. This holds companies that profited most accountable for land restoration.
- **Establish Fitness to Operate Criteria:** Requires operators on public lands to demonstrate safety compliance, financial solvency, decommissioning readiness, up-to-date royalty payments, and an investment-grade credit rating. Grants the Secretary authority to suspend certification and penalize non-compliant leaseholders.
- **Prevent Future Orphaned Wells:** Forces companies to address inactive wells after four years by either resuming production, submitting a detailed timeline for bringing the well back online within one year, or fully plugging and reclaiming the site.