



# Wyoming County Commissioners Association

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April 28, 2017

Office of Natural Resource Revenue  
Building 53, Entrance E-20  
Denver Federal Center  
West 6<sup>th</sup> Avenue and Kipling Street  
Denver, Colorado 80225

RE: Docket ID: ONRR-2017-0001 – Repeal of Consolidated Federal Oil and Gas and Federal Indian Coal Valuation Reform.

Dear Secretary Zinke and staff at the Office of Natural Resource Revenue:

On behalf of the Wyoming County Commissioners Association (WCCA), I write today to support the repeal of the Consolidated Federal Oil and Gas and Federal Indian Coal Valuation Reform Rule, published in the Federal Register on July 1, 2016. The WCCA is an organization consisting of the Boards of County Commissioners of all twenty-three Wyoming counties. The WCCA is non-partisan, and exists to strengthen counties and the people who lead them through a program of networking, education, and unified action.

As elected officials at the county level in a state that's surface is nearly half-owned by the federal government, and that's subsurface minerals is nearly three-quarters owned by the federal government, we are the front lines when dealing with decisions made by land management agencies. This late rule, drafted and finalized over the objections of elected officials from the most heavily affected coal producing county in the country, was part of a multi-pronged approach by the previous Administration to artificially inflate the costs of producing coal. In so doing, the Rule threatened to severely diminish Wyoming's counties' ability to fund basic functions of local government.

Many of the comments offered by proponents of the Rule center on an argument of a "fair return" for taxpayers. No one has more at stake in that argument than we do. Coal companies in Wyoming returned to state and local governments over \$1.2 billion dollars in 2015, just prior to the economic downturn and the impact of the regulatory onslaught. Much of that is shared revenue with the federal government. The Mineral Leasing Act requires that half of federal mineral royalties be returned to the state (though the federal government retains an extra 2% anyway), and Wyoming's companies pay more into the Abandoned Mine Land program than every other state combined. Unless the goal is forcing coal production to be economically unviable, any argument that Wyoming's coal companies were not paying a fair return to taxpayers under the previous system is subjective at best.

For those of us relying on coal production to provide basic services to our constituents, the return is fair in part because it cannot be viewed in a vacuum. Coal companies in Wyoming provide jobs that pay double the statewide average. These companies are good local citizens, providing sponsorships and resources for local and statewide nonprofit organizations and groups too numerous to mention. In addition, these companies spend millions of dollars reclaiming their mine sites to a condition better than it was before, providing recreational opportunities for Wyoming residents far into the future.

I respectfully request that ONRR repeal this ill-conceived rule. The best way to ensure a greater return for all Americans is to remove unnecessary barriers to future responsible coal production of federal lands.

Sincerely,

A handwritten signature in black ink, appearing to read "Rob Hendry", written in a cursive style.

Rob Hendry

President

Wyoming County Commissioners Association