

News Release



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DOI Again Favors Additional Analysis and Delay Over More American Clean Energy *Announced changes disregard Congressional mandates*

(Denver)- The Independent Petroleum Association of Mountain States (IPAMS) warned today that the Department of Interior's (DOI) announced changes to the onshore natural gas and oil program will continue to delay the development of clean, domestic natural gas on Western federal lands. DOI also announced changes that will create additional layers of red tape, allow government bureaucrats to trump the expertise of geologists and engineers, and ignore the Energy Policy Act of 2005, which passed Congress with the support of both Barack Obama and Ken Salazar. The announcement comes as bad news for Westerners who see natural gas development as a means to create new jobs and jump-start the economy.

IPAMS is concerned the reforms and additional review is simply another way to further slow the development of clean-burning natural gas on non-park, non-wilderness federal lands in the Intermountain West.

"In 2009, we observed a severe slowdown in permitting, project environmental analyses, and leasing," said IPAMS Director of Government Affairs Kathleen Sgamma. "Interior continues to hold \$100 million in a non-productive capacity for leases that companies paid for but cannot access. We are concerned that this slowdown in American clean energy development will continue while Assistant Secretary Wilma Lewis's team conducts its review.

"We are disappointed to see the DOI moving to a bureaucratic command-and-control system in which government bureaucrats—rather than scientists with expertise in natural gas and oil development-- dictate where energy development should occur," said IPAMS Director of Government Affairs Kathleen Sgamma. "The market-based system has worked well for decades, allowing government land managers to specify what lands are appropriate for leasing and leaving it to the geologists and engineers to do the exploration and nominate projects based on geologic and market conditions, with ultimate DOI approval."

"There are career BLM staff who have decades of experience with natural gas and oil, and we hope they will be prominent on the team charged with reviewing permitting and other aspects of the onshore program. We also hope that IPAMS will have a seat at the table. Our members have a long history of developing natural gas and oil on federal lands in an environmentally responsible manner. Western producers provide 27% of the nation's clean-burning natural gas while occupying only 0.07% of public lands. In doing so, we provide billions of dollars in federal and state revenue, and help the West maintain a low unemployment rate compared to the rest of the country.

(more)

The DOI's announcement also means that federal land managers will lose the use of Congressionally-mandated categorical exclusions, an important tool that has been instrumental in encouraging American energy development and protecting the environment.

"DOI cannot pick and choose which laws to follow. Congress, including then Senators Barack Obama and Ken Salazar, mandated the use of CXs where the environmental impact is minimal or where environmental analysis has already been completed; it did not provide Interior with discretion in their use. The law clearly mandates the use of CXs when the criteria are met that enable domestic energy production," said Sgamma.

[Link to House Natural Resources Committee letter on Categorical Exclusions](#)

[Link to Senate letter on Categorical Exclusions](#)

[Link to Industrial Energy Consumers of America letter on Categorical Exclusions](#)

[Link to IPAMS position paper on Categorical Exclusions](#)

[Link to IPAMS position paper: "Interior's Mismanagement of the Federal Onshore Natural Gas and Oil Program"](#)

[Link to News Release "Stiles over Substance, IPAMS Analysis: DOI Study Based on Nine Days of Field Work Ignores Sever-Year Planning Process"](#)

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The Independent Petroleum Association of Mountain States (IPAMS), founded in 1974, is a non-profit trade association representing more than 400 independent natural gas and oil producers, service and supply companies, banking and financial institutions and industry consultants committed to environmentally responsible energy development in the Intermountain West. More information on IPAMS and its members is available at www.ipams.org