

News Release



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IPAMS Challenges Mischaracterization of GAO Report *Says categorical exclusions underutilized; Supports GAO recommendations to improve implementation*

(DENVER)- The Independent Petroleum Association of Mountain States (IPAMS) today challenged the mischaracterization in the press of a recent Government Accountability Office (GAO) report on the use of categorical exclusions (CXs). CXs were designed to eliminate some of the redundant bureaucracy and red tape associated with developing domestic energy on non-park, non-wilderness public lands.

Congress mandated the use of CXs to enable energy development where the environmental impact is minimal, and where drilling was previously analyzed in an environmental document. CXs simply eliminate redundant environmental analysis and encourage companies to minimize surface impacts.

"IPAMS believes that GAO completely missed one major abuse of BLM's implementation— frequent violation of the law when CXs were not used for projects that met the criteria mandated by Congress," said Kathleen Sgamma, IPAMS Director of Government Affairs.

"CXs are not discretionary. GAO found many examples where BLM failed to use them, highlighting the cautious and overly conservative use of CXs by the BLM," continued Sgamma. "We would be very interested in seeing the data on cases where CXs were not used, even when all criteria were met. The report fails to quantify those violations of the law.

"GAO actually provides reasonable recommendations for BLM to exercise oversight of categorical exclusions, but the report has been mischaracterized in the press as showing widespread abuse by the Bureau of Land Management (BLM)," said Sgamma. "In fact, it details mostly administrative errors, not major violations of the law. Careful analysis of the report sample shows just a 6.7% rate of errors resulting in a violation. That number can be brought close to zero if BLM implements GAO's oversight recommendations."

The GAO report concludes that "...our findings reflect what appear to be honest mistakes stemming from confusion in implementing a new law with evolving guidance."

"While we're concerned with any violation of the law, we agree with GAO that these errors stem from confusion over implementing a new program, which is not uncommon with any new government program. These errors can be cleared up with revised guidance, implementation templates, and better oversight from state offices, as recommended by GAO," Sgamma said.

(more)

IPAMS believes GAO's analysis of the CX sample is methodical and illuminating, but the report overall suffers when it does not adhere to that rigor. At times the document appears to advance a political agenda rather than remain a straightforward analysis of the implementation of the program.

"The text diverges into highlighting 'disagreements' from government officials and other groups interviewed in the course of the study. GAO's job is to ensure laws passed by Congress are implemented appropriately by the federal government. General concerns are not worthy of a GAO study, except when they relate to concerns about the implementation of the law," Sgamma concluded.

[Click here for a detailed explanation of IPAMS objections to the GAO report on categorical exclusions.](#)

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About IPAMS

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 oil and natural gas development in the Intermountain West. More information on IPAMS and its members is available at www.ipams.org.