

News Release



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Date: January 15, 2010
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Interior on Track to Realize Even Less Leasing Revenue in 2010

(Denver)- The Independent Petroleum Association of Mountain States (IPAMS) is again drawing attention to the fact that the Department of Interior (DOI) continues to slow development of domestic natural gas and oil on western public lands.

Not content with presiding over a tenfold reduction in natural gas and oil leasing revenue in 2009, DOI is poised to continue this downward trend, preventing western producers from developing clean, domestic energy. Last week, the Bureau of Land Management (BLM) announced its Utah lease sale in February would constitute just four parcels totaling 4,402 acres. Coupled with recently announced policy changes that will add at least three years onto the existing leasing analysis process, it appears that DOI is doing little to encourage the development of American natural gas and oil and create corresponding jobs and economic activity.

"Last year Interior managed to reduce leasing revenue by 90% compared to 2008. Our economy contracted in 2009, but not that much. Interior has made a difficult economy even worse, while severely reducing revenue to federal and state treasuries," said Kathleen Sgamma, IPAMS Director of Government Affairs.

"To make matters worse, Interior is only offering four parcels in the February 23rd Utah lease sale. It's barely worthwhile for companies to show up for the auction, especially since they have no certainty they will receive any winning leases. Interior continues to hold \$40.7 million worth of suspended and unissued leases in Utah, and \$100 million across the Intermountain West," added Sgamma.

"With that kind of backlog, what's the incentive to participate?"

Furthermore, none of the seventeen leases withdrawn by Secretary Salazar in early 2009 and later determined to be appropriate for leasing are on the sale list, in spite of Salazar's assurance that these leases would be offered again.

(more)

"Interior's extra-procedural review team spent the summer reviewing the withdrawn seventy-seven leases, and determined that indeed seventeen were correctly leased at the December 2008 Utah sale. We are left wondering when Interior will act on these leases? IPAMS once again calls on Secretary Salazar to order that these seventeen leases, and in fact all seventy-seven, be issued immediately to the legitimate winning bidders," Sgamma said.

[Link to IPAMS position paper on the Stiles Report](#)

[Link to BLM Feb 23rd Lease Sale Notice](#)

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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