

News Release



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Western Energy Alliance: Top Ten Ways the Government is Preventing Production on Federal Onshore Leases

(Denver)- Last week, President Obama repeated the debunked claim that oil and natural gas companies are refusing to develop lands currently under lease, and yesterday Senators Robert Menendez (D-NJ) and Bill Nelson (D-FL) announced “use it or lose it” legislation in an attempt to blame companies for lack of production on existing leased acreage. Western Energy Alliance issued a press release Tuesday explaining that at least half of the non-producing acreage is a direct result of bureaucratic delays imposed by the Obama Administration.

“The Administration continues to deflect blame for leases that are not producing onto the industry, yet their rhetoric displays a misrepresentation of how oil and natural gas development on federal lands works,” said Kathleen Sgamma, Director of Government and Public Affairs. “First off, about half of the nonproducing acreage results from the Department of the Interior’s (DOI) own redundant regulations and bureaucratic delays. While companies are in the long process of satisfying all the requirements necessary to begin production, new federal policies and deliberate bureaucratic delays are preventing American production in the West.

“Not all leased acreage is created equal: some simply does not have recoverable oil or natural gas resources,” said Sgamma. Western Energy Alliance estimates that about 1/3 of leased acreage will not be developed by the current leaseholder with today’s technology because exploratory work determines there are insufficient resources and other factors.

“If the President and Congress are really concerned about undeveloped leases and increasing domestic energy production, they would direct DOI to roll back some of the eight layers of bureaucratic red tape now imposed on western energy producers and disregard the misguided legislation from Sens. Nelson and Menendez,” said Sgamma. “Symbolic, punitive measures will do nothing to increase domestic energy supply. What’s needed is legislation that provides certainty, clears obstacles, and encourages production.”

“Since development on federal lands takes close to ten years, we know that production today is the result of policies and actions from several years ago. Our top ten list shows how bureaucratic delays are not only preventing more production of domestic oil and natural gas today, but putting at risk tomorrow’s production as well.”

(more)

“The truth is that companies are doing all they can to develop federal energy resources, but a lease is not a green light to produce—it’s the first step in a long, expensive process that is fraught with bureaucratic red tape and lawsuits by environmental groups determined to stop domestic energy development,” concluded Sgamma.

[Click here to read Western Energy Alliance’s Position Paper: Top Ten Ways the Federal Government is Preventing Onshore Oil and Natural Gas Production.](#)

[Click here to view a time line for development of a typical onshore federal lease.](#)

[Click here to view Tuesday’s news release: Non-producing Leases the Result of Bureaucratic Red Tape](#)

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Western Energy Alliance, founded in 1974, is a non-profit trade association representing more than 400 companies engaged in all aspects of environmentally responsible exploration and production of oil and natural gas in the West. More information on Western Energy Alliance and its members is available at www.westernenergyalliance.org.