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Witnesses Tell Federal Government to STOP Blocking Energy Production on Federal Lands

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BLM's Actions Standing in the Way of Job Creation, Economic Growth

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an <u>oversight hearing</u> on "Energy in America: BLM's Red-Tape Run Around and its Impact on American Energy Production." The hearing examined the adverse impacts of the Bureau of Land Management's (BLM) practices and motivations surrounding energy production on federal lands.

"Since taking office, the Obama Administration has made oil and natural gas development so burdensome and uncertain that companies continue to avoid federal land for energy development. The companies that do develop on federal land are subject to multiple regulatory hurdles, permit approval delays and increasingly duplicative and burdensome regulations," said Energy and Mineral Resources Subcommittee Chairman Doug Lamborn. "It is no secret that American energy production is increasing – on state and private land. Production continues to decrease on federal land as the Administration's regulations continue to increase. And with the BLM continuing to slow walk drilling permit approvals and lease fewer and fewer acres for development, this trend does not appear to be reversing itself anytime in the near future."

Witnesses who testified before the Subcommittee offered their views on how actions by the BLM are negatively affecting energy production on federal lands.

A. Lynn Jackson from the Grand County Council in Ground County, Utah, noted that "Current federal land management in our area works for no one. It does not work for local county governments. It does not work for our minerals industries that are required to spend hundreds of thousands of dollars for permits with no guarantee of returns."

L. Poe Legette, Partner-in-Charge at Fulbright & Jaworski LLP who specializes in litigation regarding energy production on federal lands, offered sharp criticism of the BLM's current approach to federal land management calling it "misguided." Legette added, "The Agency has failed to demonstrate any supportable need for the policies it is currently promoting. BLM continues to add operational complexity without identifying any commensurate environmental, social, or financial benefit to offset that complexity. The results threaten to derail the promise of America's energy future and represent an

impermissible attempt to exercise powers beyond the carefully circumscribed authority Congress has granted BLM over the federal public lands."

<u>Kathleen Schroder</u>, attorney at Bjork Lindley Little PC who specializes in legal matters relating to energy development on federal lands, spoke of devastating economic consequences of increased federal red tape on energy production on federal lands. "The long-term effects of decreased development of federal oil and gas resources may be felt on national, state and local levels. Decreased oil and gas development on federal lands reduces the amount of royalties generated, with less revenue distributed to the Treasury and the States. Decreased development will also result in fewer jobs being created in areas with large amounts of federal lands."

Kathleen Sgamma, Western Energy Alliance's Vice President of Government and Public Affairs, testified on the benefits that increased oil and natural gas production would provide to Western States and America. "If BLM provided reasonable access to non-park, non-wilderness lands in the West for oil and natural gas development, we could generate an additional \$23.4 billion in economic activity annually and over 100,000 jobs from projects already proposed. Instead, BLM has imposed new bureaucratic obstacles and more layers of redundant red tape, stifling local, state and federal government revenue and job creation."

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