

Unitization

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WHAT IS UNITIZATION?

Unitization provides for the orderly, timely and environmentally sound exploration and development of oil and gas within a geologically-defined area. Each proposal to unitize a certain area is evaluated on its specific merits. Federal unit agreements are generally approved in the interest of conserving the natural resources.

Unitization, in general, provides a balance between the environment and oil and gas development by making the development process proceed in a logical and controlled manner. Routinely, unitization benefits are less surface disturbance and higher recovery of the public oil and gas resulting in conservation of both mineral and natural resources. For example, infrastructure such as power and natural gas collection lines, as well as roads and other surface facilities, can be shared, reducing impacts to other natural resources.

Exploratory units normally embrace a prospective area that has been delineated on the basis of geologic and/or geophysical inference and usually encompass all oil and gas interests in all formations within the unit area. Unitization allows for the exploration and development of the unit area to proceed without regard to internal lease boundaries. By effectively eliminating internal property boundaries within the unit area, unitization permits the most efficient and cost-effective means of developing the underlying oil and gas resources with a minimum number of wells, roads and associated facilities.

Unitization is an administrative action that is categorically excluded from further analysis under the National Environmental Policy Act (NEPA) and is specifically listed in the BLM's NEPA Handbook.

During the unit approval process, BLM regulations require us to determine that the agreement is necessary or advisable in the public interest and intended to properly conserve natural resources.

BLM Colorado currently has 198 Active Federal Units encompassing more than 2.6 million acres.

