



BLM NEWS RELEASE

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For immediate release

Date: April 11, 2016

BLM Releases Statistics on Oil and Gas Activity on Federal, Indian Lands *BLM Continues to See Production Growth and Deliver Drilling, Leasing Opportunities*

WASHINGTON – The Bureau of Land Management (BLM) today released fiscal year (FY) 2015 statistics for oil and gas permitting, leasing and drilling activity on lands where BLM permits are required. Production from those lands, both Federal and Indian, increased 10 percent over FY 2014 and went up more than 108 percent since 2008. This compares to an 88 percent increase in oil production nationally over the same period, based on data obtained from the Office of Natural Resources Revenue and the Energy Information Administration.

“Since the beginning of this Administration, we have instituted common sense reforms that promote responsible oil and gas development while protecting places that are too special to develop,” said BLM Director Neil Kornze. “The BLM has done this while providing significant opportunities to develop energy resources in a responsible way through our leasing, permitting, and inspection activities.”

According to the statistics released today, in the past year the BLM approved 4,228 drilling permits – 3,508 on Federal lands and 720 on tribal lands – a 10 percent increase over the prior year. As a result, the number of approved drilling permits that have not yet been put to use by industry is at a record high of 7,500 – roughly 6,100 Federal lands and 1,400 tribal. These approved drilling permits are ready for immediate use without further review or approval by the agency.

As in prior years, the number of drilling permits that were processed far exceeded the number of wells that were actually drilled. In FY 2015, industry drilled 1,620 wells on Federal lands, which is less than half the number of drilling permits that the BLM approved during the period. In total, the oil and gas industry now holds nearly four years’ worth of ready-to-use permits, when measured at current drilling rates.

During the past fiscal year, the BLM also continued to offer significant new opportunities for leasing. In FY 2015, the BLM offered more than 4 million acres at 23 lease sale auctions; however, industry bid on just 15 percent of the acres offered. In total, 810,000 acres were leased (both competitively and non-competitively) in FY 2015.

At the end of the last fiscal year, there were 32.1 million acres of public land under lease -- an area the size of Alabama -- yet only 12.8 million acres were producing, an increase of 70,000 acres from the prior year. This activity came from 23,770 producing oil and gas leases and approximately 100,000 wells, both increases from the previous year.

Because oil and gas development is market-driven, broad market trends have an impact on activities on the public lands. Notably, there was a significant drop in oil and gas prices from 2014 to 2015. The NYMEX average price¹ of oil declined 43 percent from \$99.07 per barrel to \$56.54 per barrel, while the NYMEX average natural gas price² declined 28 percent during the same period.

Price declines contributed to some changes in activities on BLM-managed lands. The number of total acres leased (both competitively and non-competitively) declined to 810,000 in 2015 from 1.2 million the year before. Also, as a result of increased public interest, the number of lease sale parcels protested increased in 2015 – from 321 to 630 – after five years of declines, but still well below the high of 1,475 parcels protested in 2009.

“At the same time, we are working to modernize the program through online permitting, more rigorous bonding assessments, and smarter more effective regulations,” Director Kornze said.

For example, the BLM has ongoing cradle-to-grave management responsibilities on the nearly 100,000 wells it oversees. For a second year in a row, the BLM has completed 100 percent of all of its high-priority production inspections, despite not having a dedicated funding for this critical workload. To address the funding issue, this year’s budget request repeated prior requests for Congress to grant the BLM the authority to charge modest fees to fulfill its important inspection and enforcement responsibilities. A similar authority already exists for ensuring effective offshore oil and gas inspections.

These and other statistics can be found on the [BLM’s Energy Statistics](#) page as well as the Department of the [Interior’s Data Portal](#).

The BLM’s onshore oil and gas program spent \$138 million in appropriated funds last year, while [generating](#) more than \$2.1 billion in royalties, \$30 million in rental payments, and \$112 million in bonus bids, all of which were split between the U.S. Treasury and the states where the development occurred. In FY 2015, production from Federal and tribal onshore leases accounted for 11 percent of the natural gas and 7 percent of the oil produced in the United States.

The BLM continues to work diligently on its efforts to modernize its oil and gas program. These efforts have taken the form of proposed and final regulations to update rules that are more than 30 years old. The BLM also made continued progress in landscape-scale planning for oil and gas development in 2015 with the completion of six master leasing plans (MLPs) in Wyoming and Colorado, and the publication of a draft MLP for Moab, each of which are designed to increase transparency, public involvement, and address resource conflicts. Finally, the BLM is in the process of launching a new automated online permitting system and plans to pilot an online lease sale system later this year.

The BLM manages more than 245 million acres of public land, the most of any Federal agency. This land, known as the National System of Public Lands, is primarily located in 12 Western states, including Alaska. The BLM also administers 700 million acres of sub-surface mineral estate throughout the nation. The BLM’s mission is to manage and conserve the public lands for the use and enjoyment of present and future generations under our mandate of multiple-use and sustained yield.

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¹ NYMEX average price for delivery of West Texas Intermediate crude oil at Cushing, Oklahoma.

² 2/NYMEX average price for delivery of natural gas to the Henry Hub in Louisiana.