



BLM NEWS RELEASE

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BLM Holds Public Forums to Kick Off Updates to Onshore Oil and Gas Orders *Changing Outdated Measurement Standards Will Help Ensure Taxpayers Get Fair Return*

WASHINGTON – The Bureau of Land Management (BLM) has begun gathering stakeholder feedback on updates to several Federal Onshore Oil and Gas Orders (Orders) that would help ensure that the American people get a fair return for the development of these resources on public lands.

The BLM is proposing to update Onshore Oil and Gas Orders 3, 4, and 5 to keep pace with changing industry practices and new technologies, and to respond to recommendations from the Government Accountability Office (GAO), the DOI's Office of the Inspector General, and the DOI's Subcommittee on Royalty Management. The Orders, which regulate production accountability and the measurement of oil and gas, were last updated in 1989.

“The BLM is in the early stages of updating these orders, and we are looking for practical feedback from stakeholders as the process moves forward,” said BLM Principal Deputy Director Neil Kornze. “This is the beginning of a dialogue that we believe will enhance our efforts to bring these orders up to date.”

To kick-off the effort, the BLM held a two-day public forum April 24 and 25 at the Department of the Interior headquarters that attracted representatives from Indian lands, environmental groups, the Federal government, and the oil and gas industry in person and via the Internet. The group discussed potential revisions to the Orders that affect how oil and gas is measured for royalty collection. In on-going tribal consultation efforts that were initiated in 2011, the BLM discussed possible revisions to the Orders with tribal representatives.

Input from the listening sessions and from future sessions will be taken into consideration as the proposed Orders are updated. BLM officials anticipate being able to publish the text of the proposed Orders in the *Federal Register* later this year, which will initiate a formal public comment period.

Video and other materials from the two-day session, along with instructions on how to provide input on the potential Order revisions, are available at www.blm.gov/live until May 17.

The BLM generates more than \$3 billion in revenue annually from oil and gas leasing activities on public lands. A portion of this revenue is shared with state and local governments. Domestic oil and gas production has grown each year President Obama has been in office, with domestic oil production currently higher than any time in two decades; natural gas production at its highest

level ever; and renewable electricity generation from wind, solar, and geothermal sources having doubled. Combined with recent declines in oil consumption, foreign oil imports now account for less than 40 percent of the oil consumed in America – the lowest level since 1988.

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. In Fiscal Year (FY) 2011, recreational and other activities on BLM-managed land contributed more than \$130 billion to the U.S. economy and supported more than 600,000 American jobs. The Bureau is also one of a handful of agencies that collects more revenue than it spends. In FY 2012, nearly \$5.7 billion will be generated on lands managed by the BLM, which operates on a \$1.1 billion budget. The BLM's multiple-use mission is to sustain the health, diversity, and productivity of the public lands for the use and enjoyment of present and future generations. The Bureau accomplishes this by managing such activities as outdoor recreation, livestock grazing, mineral development, and energy production, and by conserving natural, historical, cultural, and other resources on public lands.

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