

News Release



IPAMS

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Special Interests File Petition That Will Hurt Small Business *Abuse of System Increases America's Dependence on Foreign Oil and Gas*

(DENVER) –Anti-development special interest groups have filed a petition with the U.S. Bureau of Land Management (BLM) that will unfairly single out small businesses and hurt consumers by increasing the costs of oil and gas production.

A coalition of anti-business groups that includes the Natural Resources Defense Council, the Western Organization of Resource Councils, and the New Mexico Wildlife Federation, submitted the “Oil and Gas Industry Responsibility Petition,” to the BLM last week asking the BLM to impose unnecessary and redundant government regulations on oil and gas development and raise the amounts of bonds that must be paid before development can begin.

American oil and gas producers in the Mountain States have met the petition with widespread opposition, claiming that it’s a “solution looking for a problem,” and if enacted would actually help big oil companies who can afford to cover the costs of new regulations.

“The oil and gas industry is already firmly committed to reclaiming land where development has taken place. In fact, current regulations *require* that companies bear the responsibility for land reclamation. Our companies work closely with government agencies and landowners to ensure that the environmental impact of oil and gas development is minimized,” said Andrew Bremner, Director of Government Affairs for the Independent Petroleum Association of the Mountain States (IPAMS).

IPMAS Executive Director Marc Smith questioned whether or not the anti-business groups have considered the consequences of their obstructionist campaign on small oil companies, the consumer, and national security:

“I wonder if these anti-business groups know that their efforts will actually hurt small businesses and give ‘Big Oil’ an upper hand. If the BLM were to develop regulations based on their advice, the small, independent oil and gas companies who currently produce 85% of the natural gas and oil consumed in this country would be facing serious financial hardships,” said Smith. “It seems that the goal of these groups is to make America even more dependent on countries like Venezuela and Iran.”

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The special interest groups have provided no evidence that their petition seeks to redress a real problem. Furthermore, the recently passed Energy Bill contained a provision which provides incentives for oil companies to clean up abandoned sites, and existing regulations give the BLM authority to raise bond requirements at any time.

“This petition is yet another example of the obstructionist tactics employed by the special interest groups who are opposed to increasing the supply of American oil and gas. These groups have but one goal—to place undue burden on the small American petroleum companies, thereby keeping the supplies of oil and gas low, driving up prices for the consumer, and making us ever-more dependent on unstable sources of foreign oil,” said Bremner.

Industry officials say they are not surprised by the latest tactic to limit domestic energy production. For years, special interest groups have used protest, appeals, and litigation at all stages of development to obstruct America’s oil and gas production.

“It’s just more of what we’ve come to expect from these radical anti-business groups--- obstruct, obstruct, obstruct. In the end, their only accomplishment will be to hurt America’s small businesses, drive up prices for the American consumer, and prolong our dependence on foreign energy,” Bremner concluded.

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IPAMS, founded in 1974, is a non-profit trade association representing more than 400 independent oil and gas producers, service and supply companies, banking and financial institutions and industry consultants in the Intermountain West. More information on IPAMS and its members is available at www.ipams.org.