

News Release

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Independent Petroleum Association of Mountain States (IPAMS)

410 17th Street, Ste. 1920

Denver, CO 80202

Contact:

Jon Bargas

303.623.0987

jbargas@ipams.org

IPAMS Applauds BLM Records of Decision on Roan Plateau

Decision result of open, public process;

will provide \$3.5 billion in revenue to state, local governments

(Denver) – The Independent Petroleum Association of Mountain States (IPAMS) today applauded the Bureau of Land Management's (BLM) Records of Decision for managing the Roan Plateau.

"We are pleased that, after a decade-long open and public process in which all stakeholders were given a seat at the table, the BLM is ready to allow limited and balanced energy development on Colorado's Naval Oil Shale Reserves (NOSR) 1 and 3, which are located on a tiny portion of the 'Roan Plateau,'" said Marc W. Smith, Executive Director of IPAMS.

"This decision follows the clear instructions that Congress gave to the BLM in 1997 when it transferred management responsibility to the BLM specifically for the purpose of developing the natural gas resources," continued Smith.

The NOSR 1 and 3 hold enough natural gas to heat 4 million homes for 20 years. Colorado stands to gain up to \$1 billion the year that the Roan is leased, and over \$175 million a year in royalties and production taxes over a 20 year period. Conservatively, federal royalties and bonus bids from energy development on the NOSR's would provide \$3.5 billion to Garfield County and the state of Colorado.

"Responsible development on the small section of the Roan that has been designated for energy extraction just makes sense," said Smith. "Colorado is facing severe budgetary constraints, and energy revenues can provide the money we need for schools, roads, and health care. Tapping the natural resources under this tiny portion of the Roan will help fund these important needs while increasing domestic energy supplies and lowering energy costs."

Oil and natural gas development currently occurs on less than 1% of federal lands in the Intermountain West. The Bureau of Land Management's land use plan for the Roan Plateau allows for only 350 acres of disturbance at any given time, and protects 38,427 acres from any development at all, including nearly 23,000 acres of wildlife security areas identified by the Colorado Division of Wildlife. In addition, drilling and related activities are limited from December through April in nearly 35,000 acres of critical big game winter range below the rim.

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Quick Facts on the Roan Plateau

Under the Bureau of Land Management's land use plan for the NOSR's 1 & 3:

- Only 350 acres of disturbance at any given time, and protects 38,427 acres from any development at all, including nearly 23,000 acres of wildlife security areas identified by the Colorado Division of Wildlife.
- Drilling and related activities are limited from December through April in nearly 35,000 acres of critical big game winter range below the rim.
- A drilling area would have to be restored before work could begin in another area
- About ½ the public lands on top would be off limits
- No new roads or pipelines would be allowed on the sides of the plateau visible from I-70
- The plateau top already has 157 miles of roads and 31 wells drilled on private lands
- The NOSRs hold enough natural gas to heat 4 million homes for 20 years.
- Conservatively, federal royalties and bonus bids from energy development on the NOSR's would provide \$3.5 billion to Garfield County and the state of Colorado, preventing the state's impending budget shortfalls.
- Garfield County would receive approximately \$57 million annually for the next 20 years.
- Colorado stands to gain up to \$1 billion the year that the Roan is leased, and over \$175 million a year in royalties and bonus bids could be realized over a 20 year period.
- Oil and natural gas development currently occurs on less than 1% of federal lands in the Intermountain West