

## News Release

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### Independent Petroleum Association of Mountain States (IPAMS)

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## Natural Gas Producers Brace for Colorado Congressional Hearing

*Hearing on limiting domestic energy supplies seen as next step in repeal of bipartisan energy bill, undermining of public process*

(Denver) – The Independent Petroleum Association of Mountain States (IPAMS) said today that companies producing natural gas in the Intermountain West, most of which are locally based and employ tens of thousands of Coloradans, are bracing for a congressional field hearing on energy development in the West scheduled for next week.

The House Natural Resources Committee hearing was announced with only one week's notice, preventing any minority members of the committee from attending. The hearing also conflicts with an Energy Summit in Craig, Colorado that will be attended by many Northwest Colorado public officials who support responsible energy development.

"One has to wonder why a hearing to solicit local input would be scheduled on the same day that many local officials will be out of town and with too little notice for any of the Republican members of Congress to attend," said IPAMS Director of Government Affairs Andrew Bremner.

The hearing is widely seen as another step in the Democratic leadership's attempt to repeal the bipartisan Energy Policy Act of 2005, which was supported by many Democrats, including Colorado's John Salazar.

"This hearing is not so much an attempt to understand what the people of Colorado want as it is a PR stunt to pave the way for legislation that would limit domestic energy development," said Bremner.

Natural gas producers are also concerned that the committee is undermining a decade-long public process that produced a plan for managing energy development on Colorado's Naval Oil Shale Reserves (NOSR) 1 and 3, which are located on a tiny portion of the Roan Plateau.

"The people of Colorado deserve to know why these Congressmen would consider undermining a public process to which so many Coloradans have devoted hundreds of hours to ensure that all stakeholders—not just the special interests—are represented," Bremner said.

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 Colorado's Naval Oil Shale Reserves (NOSR) 1 & 3:

- 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 NOSR's 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.

#### Related News Releases:

##### Natural Gas Under Roan Plateau Could Help State's Budget Woes

(<http://ipams.org/media/docs/2007/Natural%20Gas%20Under%20Roan%20Plateau%20Could%20Help%20State's%20Budget%20W.pdf>)

##### Salazar and Udall Undermine Public Process

(<http://ipams.org/media/docs/2007/salazar-udall.pdf>)

##### [IPAMS Letter to Rep. John Salazar - February 20, 2007](#)

(<http://ipams.org/media/docs/2007/20Feb07.pdf>)

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 committed to environmentally responsible oil and gas development in the Intermountain West. More information on IPAMS and its members is available at [www.ipams.org](http://www.ipams.org).