The Mountain Pact

Oil and Gas Pause Resolution Background

President Biden's Executive Order - January 27, 2021
Temporary Pause on New Oil & Gas Leasing on U.S. Federal Public Lands

Public lands are the backbone of our Western mountain communities and vital for our way of life. Over the last year as the country has navigated COVID, residents and visitors are finding solace in the outdoors more than ever before. We are thrilled with the Biden administration's forward looking executive orders that will result in bold climate action and protection for our public lands. These actions will help boost the economy as we recover from the impacts of COVID-19 and will move us towards a more sustainable future.

The pause on new oil and gas leasing on federal public lands was one section out of three in President Biden's executive order on January 27, 2021. By pausing oil and gas leasing for the first time in 40 years, the Biden Administration rightly recognized the federal oil and gas leasing program is fundamentally broken and must be overhauled to address the climate crisis, generate a fair return for taxpayers, respect local landowners, and support communities in the inevitable transition away from fossil fuels.

Please see below for more background on why we encourage your County/City/Town Commission/Council to adopt a resolution showing support for this pause.

Oil and Gas Leasing Pause

HITTING PAUSE ON NEW OIL AND GAS LEASING *(From the Department of Interior Fact Sheet*) **-**
"The Executive Order will direct the Department of the Interior to pause new oil and natural gas leasing on public lands and offshore waters, concurrent with a comprehensive review of the federal oil and gas program. The targeted pause **does not impact** existing operations or permits for valid, existing leases, which are continuing to be reviewed and approved. The order does not restrict energy activities on private or state lands, or lands that the United States holds in trust or restricted status for Tribes or individual Indians.

The President's action will provide a chance to **review** the federal oil and gas program to ensure that it serves the public interest and to **restore balance** on America's public lands and waters to benefit current and future generations. Fossil fuel extraction on public lands accounts for nearly a quarter of all U.S. greenhouse gas emissions. Irresponsible leasing of public lands and waters impacts communities' access to clean air, clean water, and outdoor recreation; carves up important wildlife habitat; and threatens cultural and sacred sites. Multiple bills in Congress have been introduced in recent years to reform the outdated program, including those to better ensure the public is not shut out of land management and leasing decisions; to address the mounting cleanup and remediation costs of orphan wells scattered across the country; and to provide a fair return to taxpayers for the use of their resources."

Why Is This Pause Necessary?

- Under our current system, oil and gas companies nominate public lands they want to drill, purchase oil and gas leases at obscenely low rates, easily obtain drilling permits, and pay taxpayers low and outdated royalty rates, depriving governments of much-needed revenue.
- Onshore, of the more than 26 million acres under lease to the oil and gas industry, nearly 13.9 million (or 53%) of those acres are unused and non-producing.
- The Trump administration conducted a fire sale of public lands and waters, offering more than 25 million acres onshore during the past four years, 5.6 million of which were purchased.
- This pause does not affect current drilling or previously approved permits. If a project has been permitted but not started, the company is still free to move forward. The Associated Press reported that companies stockpiled thousands of permits at the end of Donald Trump's presidency to allow drilling for several years.
- A review of this nature is not unprecedented; similar reviews have occurred for the federal oil, gas, and coal programs in the 1970s and 1980s.
- Fossil fuel production on public lands causes about a quarter of U.S. greenhouse gas pollution.
- When companies go bankrupt and orphan their wells -- which is happening with great frequency right now -- taxpayers are left on the hook to clean up their mess and deal with contaminated drinking water, polluted air, and threatens wildlife habitat.
- The Land and Water Conservation Fund would not be impacted by preventing new offshore drilling. Federal energy revenues total about $7 billion and current production revenues, without opening new areas to leasing, fully cover LWCF's $900 million annual deposits with an additional $3 billion a year remaining in the Treasury General Account.
- As this is a pause on new leases, community projects funded with royalties won't be impacted. Education funding should not be subject to the boom and bust cycles of the oil and gas industry. We need to diversify our economy, transition away from the boom and bust cycles of fossil fuels, and invest in good paying clean energy jobs of the future.

SEE MORE INFORMATION HERE