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March 19, 2020



## **Conservative and Taxpayer Groups Call for Emergency Suspension of Oil & Gas Leasing on Public Lands**

Conservatives for Responsible Stewardship (CRS) and Taxpayers for Common Sense are requesting that the Trump administration—in light of the current oil glut, depressed prices, and systemic fiscal weaknesses in the leasing process—suspend lease sales on our public lands for the remainder of 2020. This includes lease sales scheduled this week and next for nearly a quarter of a million acres of public lands in Eastern States, Colorado, Montana, Nevada, and Wyoming.

Given abundant global oil supplies and record production from domestic deposits in North Dakota and Texas, this administration's mad rush to lease America's public lands for oil and gas drilling has always defied logic. Now, with sharply reduced demand due to the COVID-19 pandemic, and efforts by Saudi Arabia and Russia to flood the market, a massive oil glut threatens the entire industry.

In this environment, it is impossible for the American taxpayer to expect anywhere near a fair return on oil and gas leases. This is due to more leases selling at the minimum bid amount, or worse, at the even lower non-competitive lease rate. Just last week, the administration held a lease sale for public lands in Utah where nearly 90% of acres sold received the minimum bid of \$2 per acre. In addition, oil produced during a depressed market brings in fewer royalties.

*"Taxpayers are already losing on this administration's oil and gas lease sale binge. But in the current financial market, the rush to offer up millions of acres of public land for oil and gas lease is even more fiscally reckless. It's time to cap this blowout of waste,"* said TCS president, Steve Ellis.

Furthermore, locking up vast swaths of public land for prospective oil development when there is no foreseeable incentive to produce, needlessly denies the American public use of that land for recreation and other economically beneficial purposes.

*"Leasing vast swaths of public land in the midst of an oil glut and collapsing market is nothing short of fiscal lunacy. It also represents a gross mismanagement of valuable natural resources that turns our nation's long-standing principle of multiple-use on its head,"* said CRS president David Jenkins.

*"If the administration fails to recognize these realities and change course, every American should be outraged,"* Jenkins added.

Even under robust market conditions, the financial return to taxpayers under current law is far below the market rate. The unprecedented oil glut we now face will further depress that return. It makes no fiscal sense to practically give away drilling rights when the oil market simply cannot absorb any more oil.

For all of these reasons, we call on the administration to protect taxpayers, other land uses, and Western state economies, by suspending all lease sales for the remainder of 2020.

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[Taxpayers for Common Sense](#) (TCS) is a nonpartisan budget watchdog that has served as an independent voice for the American taxpayer since 1995. TCS works to ensure that taxpayer dollars are spent responsibly and that government operates within its means. **Contact: Sohini Baliga - 703-622-8562**

[Conservatives for Responsible Stewardship](#) (CRS) is a grassroots organization, with 20,000 members nationwide, dedicated to the original conservative philosophy that compels us to be good stewards of our natural heritage. **Contact: David Jenkins – 703-785-9570**