BLM NEWS

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BILLINGS – Bonus bids topped $3.1 million at the Bureau of Land Management's March 28 oil and gas lease sale in Billings.

Summit Resources of Calgary, Alberta submitted a $312,000 bid for leasing rights on a 320-acre Forest Service parcel in Billings County, North Dakota. That was the highest bid in the sale.

Of the 45 parcels offered, 14 were in Montana, 26 were in North Dakota and 5 were in South Dakota. Six parcels, four in South Dakota and two in Montana, received no bid. There were 15 different successful bidders.

Oil and gas production in Montana and the Dakotas is an important component of our national energy supply. Federal wells in the three states produced 8.6 million barrels of oil, 29 trillion cubic feet of natural gas, and more that $40 million in royalties in 2003.

Receipts from federal oil and gas leases are shared with the state or county where the lands are located. All leases are issued for a 10-year term.

Competitive oil and gas lease sales are generally conducted every other month (January/March/May/July/September/November) at BLM's Montana State Office. Additional information regarding competitive sale lists, detailed results of sales, or the leasing process is

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available by writing the Bureau of Land Management, 5001 Southgate Drive, Billings, Mont., 59101, by calling (406) 896-5004, or at www.mt.blm.gov/oilgas/leasing/index.html. Less than one percent of the BLM-managed acreage nationally is disturbed by oil and gas activity. To minimize impacts (the "footprint") on the land, the Forest Service and BLM analyze the potential environmental effects from exploration and development before offering any leases for sale. All leases come with conditions on oil and gas activities to protect the environment that can include limits on when drilling can occur or restrictions on surface occupancy. Once an operator proposes exploration or development on a BLM-issued lease, further environmental analysis under the National Environmental Policy Act is conducted to determine the site-specific need for various types of impact-limiting or mitigation measures. In addition, many operators routinely use Best Management Practices such as remote sensing to minimize surface impacts during production monitoring.

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