

BUREAU OF LAND MANAGEMENT OR-08-04
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BLM Prepares for Upcoming Oil and Gas Lease Sale

PORTLAND – The Bureau of Land Management (BLM) Oregon State Office announced that it will offer six parcels totaling approximately 9,313 acres, in Oregon, at its March 13, 2008 Oil and Gas Lease Competitive Sale. All of the parcels to be offered are in Jefferson County, Oregon, within the Crooked River National Grassland, administered by the U.S. Forest Service, Ochoco National Forest.

The sale will be held at 9:00 AM at the Robert Duncan Plaza Building, 333 SW 1st Avenue, Portland, Oregon in the 3rd floor conference rooms.

Auction rules call for a \$2 per acre minimum bid in bonuses on any parcel. This means a buyer will pay the bid price for the right to obtain the federal lease, in addition to a standard \$1.50 per acre rental on the lease. BLM will also charge winning bidders \$140 per parcel to help cover administrative costs. If the lease becomes producing, the federal government will collect a royalty on production. As part of royalty sharing, the state that the lease is located in receives half the bid price, half of the rental fee, and half of the royalty if the well is producing.

All of the six parcels being considered for the March 2008 Oil and Gas Lease Sale are pre-sale offers. Individuals may file a noncompetitive pre-sale offer on lands if the prior lease for these lands has expired or terminated, or the lease holder has given up the lease, or the BLM has canceled the lease at least one year before individuals submit the pre-sale offer to the appropriate BLM State Office.

The complete list of parcels and the oil and gas lease sale notice is available on the Oregon/Washington BLM web site at: <http://www.blm.gov/or/landsrealty/oilandgas.php>

Of the total acreage managed nationally by the BLM, less than one percent of surface land is disturbed by oil and gas activity. To minimize impacts on the land, the BLM analyzes the potential environmental impacts from exploration and development before offering any leases for sale. All leases come with stipulations on oil and gas activities to protect the environment. Stipulations also can include specific restrictions, such as limits on seasons when drilling can occur and restrictions on surface occupancy by oil and gas operators.

When preparing land use plans, revisions, or when parcels are nominated for leasing, the BLM and the Forest Service considers available new information to determine if any significant new circumstances or impacts have occurred since the completion of the most recent land use plan. The 1993 “Oil and Gas Leasing Analysis” Final Environmental Impact Statement for the Ochoco National Forest and the Crooked River National Grassland allows for issuing oil and gas leases. However, any ground disturbing actions, such as exploratory activities proposed



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by a lessee, will require a site-specific environmental analysis conducted by the Forest Service prior to approval.

About the BLM

The BLM manages more land – 258 million surface acres – than any other Federal agency. Most of this public land is located in 12 Western States, including Alaska. The Bureau, with a budget of about \$1.8 billion, also administers 700 million acres of sub-surface mineral estate throughout the nation. The BLM's multiple-use mission is to sustain the health and productivity of the public lands for the use and enjoyment of present and future generations. The Bureau accomplishes this by managing such activities as outdoor recreation, livestock grazing, mineral development, and energy production, and by conserving natural, historical, and cultural resources on the public lands.

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Oregon State Office

