

**# BACK TO RESOURCES** 

# By the numbers: Onshore oil and gas leasing and drilling under the Biden administration

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https://westernpriorities.org/resource/biden-leasing-drilling-dashboard/[2/27/2024 9:26:14 AM]



The Biden administration inherited a federal oil and gas program that was broken and rigged in favor of the oil and gas industry. It has been this way for decades, as documented repeatedly by the Government Accountability Office, Congressional Budget Office, and DOI's Inspector General, and it reached a low point during the Trump administration, which tried (and failed) to make oil and gas drilling the "dominant" use of America's public lands.

On August 16, 2022 the Inflation Reduction Act was signed into law. With this important piece of legislation, Congress brought about long-overdue changes to the federal oil and gas leasing program, including the first-ever increase to the onshore royalty rate for new leases in over 100 years and the elimination of the practice of leasing lands "noncompetitively" for just \$1.50 per acre. These changes are significant steps towards ensuring fairer returns to taxpayers from the drilling that takes place on public lands, and curbing wasteful leasing practices that have threatened public lands, waters, and wildlife for far too long. But there is still more work to do to modernize the oil and gas leasing process.

Minimum federal bonding rates—which the Government Accountability Office has found BLM to use 82 percent of the time—have not been increased in over 60

years, allowing for oil and gas companies to walk away from the wells they drill on public lands without paying the full cost required for cleaning them up. Initial drafts of the Inflation Reduction Act would have strengthened federal bonding requirements to better align with the true total cost of plugging and reclaiming oil and gas wells. Unfortunately, this critical piece of reform was removed from the Inflation Reduction Act by the parliamentarian before the bill's passage.

The Department of the Interior must now do its part to durably implement the reforms in the Inflation Reduction Act, as well as take action to make other important changes, such as raising federal bonding rates, to ensure the federal oil and gas program works for everyone, not just the oil and gas industry. In order to do so, Interior must carry out a robust rulemaking process that enshrines responsible leasing practices for years to come.

Meanwhile, many industry lobbyists and politicians are continuing to use the energy crisis caused by the war in Ukraine to call for opening more public land for drilling. But publicly-available data compellingly show that leasing and drilling on federal public lands won't alleviate pain at the pump. **Combined, the oil and gas industry holds leases to nearly 24 million acres of publicly-owned minerals, almost half of which sit unused. Companies also hold more than 6,700 approved but unused drilling permits, all of which could be put to use today. Further, oil production on public lands is at its highest level in nearly two decades, despite industry claims that the Biden administration has suppressed domestic production.** 

This dashboard provides an at-a-glance look at onshore oil and gas leasing under the Biden administration, including permitting and production that has occurred on leases sold prior to the start of the administration and statistics from past and upcoming lease sales. Learn more about the data on our dashboard, or jump straight in. This dashboard will be regularly updated.

### **Data Types**

To understand this dashboard and the terms therein, it's important to understand the overall process for leasing and development on America's public lands. Industry is in the driver's seat from the get-go. The process starts when companies nominate lands they'd like to see offered for lease. In response, the Bureau of Land Management (BLM) is obligated to evaluate nominated lands, usually through a public process. A lease sale is held at the conclusion of that process. Once a company has a lease, the next step is to get a drilling permit. Because of how the outdated rules are written, it's very hard for BLM to say "no" at this point and refuse to issue the permit, regardless of potential impacts on other values and our climate.

#### **Production & Lost Royalties**

- Despite a short pause in federal leasing in 2021, oil production on federal public lands has not been interrupted during the Biden administration and is now at its highest level since at least 2003.
- While oil and gas companies continued producing oil and gas from our public lands during the pause, they did so under a century-old royalty rate that for decades hadn't been providing taxpayers with their fair share. Under the outdated 12.5 percent royalty rate, taxpayers lost out on billions of dollars in additional revenue that they should have received from the oil and gas industry's use of our public lands.
- The Inflation Reduction Act's long-overdue increase to the federal onshore royalty rate will now ensure that taxpayers receive a more fair return for the drilling that occurs on public lands. DOI must require a 16.67 percent royalty rate for any new leases that are sold in upcoming and future lease sales, along with requiring the updated rental rates and minimum lease bid that were also secured by the IRA. In its rulemaking, DOI must ensure regular reviews and—when necessary—updates to each of these rates and fees, so that they continue to provide a fair return to taxpayers.

| <b>Drilling Permits &amp; Taxpayer Reclamation Burden</b> |  |
|---|--|
| Companies Operating On Public Lands                       |  |

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### Data dashboard

See all data citations and assumptions





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Extractive industries keep leaving toxic messes across the West. Will history continue to repeat itself? The Western United States has a long history of extractive industrial activity. Since the 1800s, westward colonization has both driven and relied upon the extraction of the West's resources, from furs to timber to gold and other minerals. Extractive activity [...]

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The Biden administration is planning to unnecessarily offer hundreds of

#### thousands of acres of public land for lease

In August 2022, Congress overhauled the system for leasing oil and gas on America's public lands when it passed the Inflation Reduction Act (IRA). Many of the updates were long overdue and intended to restore balance to a system that had been rigged in favor of the oil industry for more than a century. After [...]

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#### 2021 Spills Tracker

The total number of oil and gas spills in each state was higher in 2021 compared to 2020. New Mexico operators reported a record number of drilling-related spills in 2021, as well as billions of cubic feet of wasted methane.



### By the numbers: Onshore oil and gas leasing and drilling under the Biden administration

An at-a-glance look at onshore oil and gas leasing and permitting under the Biden administration.

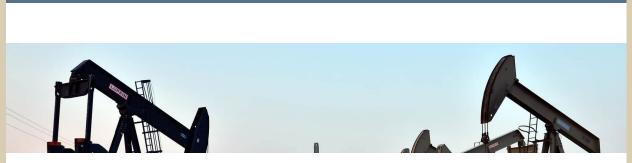
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"No harm no foul" doesn't exist in oil and gas leasing

## Despite oil industry howling, companies are awash in public lands drilling permits

When the Biden administration enacted a temporary pause on new oil and gas leases on public lands, the oil industry said the sky was falling, predicting massive job losses and production cuts. In the meantime, drill rig counts increased, stock prices rose, and major oil companies flush with cash began taking steps for their shareholders to reap the benefits. Data from the Bureau of Land Management shows that, despite industry fear mongering, oil companies had nearly 10,000 approved, but unused public lands drilling permits as of 2021, an all-time high in recent memory.

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#### The oil industry's forfeited public lands stockpile

The oil and gas industry has spent recent months fear mongering about the Biden administration's temporary pause on new federal oil and gas leases; however, new analysis finds that the industry has been forfeiting drilling leases and permits for years.

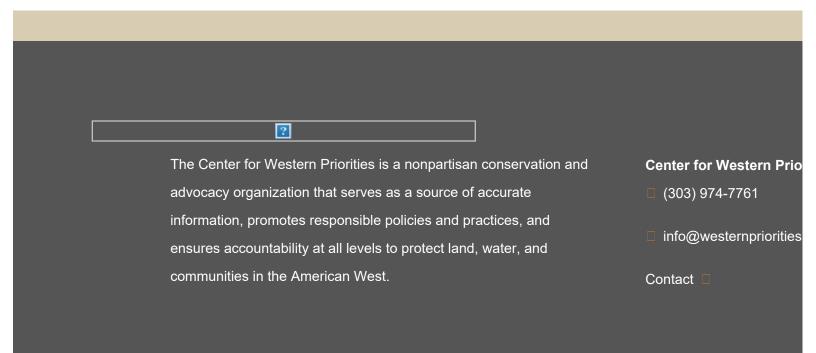
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#### Western Oil and Gas Spills Tracker

Each year, the Center for Western Priorities tracks oil and gas-related spills in Colorado, New Mexico, and Wyoming, assessing what spilled, where spills occur, and what companies are responsible, among other factors. Check out the latest data, or explore reports from past years.

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