TXOGA
TEXAS OIL & GAS ASSOCIATION | SINCE 1919

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February 18, 2016

Director Amy Lueders
Bureau of Land Management
New Mexico State Office
P.O. Box 27115
Santa Fe, NM 87502-0115

Dear Director Lueders:

The Texas Oil & Gas Association ("TXOGA") is writing in **support** of the U.S. Bureau of Land Management's (BLM) April 20, 2016 planned sale of oil and natural gas leases in Texas, Kansas and Oklahoma – including the parcel in Denton County, Texas (NM-201604-044).

TXOGA is a non-profit corporation representing the interests of the oil and natural gas industry in the State of Texas. Founded in 1919, TXOGA is the largest and oldest petroleum organization in Texas, representing more than 5,000 members. The membership of TXOGA produces in excess of 90 percent of Texas's crude oil and natural gas, operates nearly 100 percent of the state's refining capacity, and is responsible for the vast majority of the state's pipelines. In 2015, the oil and natural gas industry employed 400,000+ Texans and nationally, our member companies produce more than a third of the nation's oil, almost a third of its natural gas and accounts for one-fourth of the U.S. refining capacity.

Safe and responsible drilling and fracking are the reason Texas is the #1 oil and natural gas producing state in the United States, which has helped to advance our nation's energy security and reduce our dependence on other countries for our energy needs.

Assessments by federal and state regulators have concluded that fracking is safe. For example, the U.S. Environmental Protection Agency (EPA) found, after five years of study, that fracking has "not led to widespread, systemic impacts on drinking water resources in the United States." Research from the EPA and others has found that air emissions from oil and natural gas systems have decreased, even as production has increased.

The BLM acknowledges the minimal risks associated with oil and natural gas expansion on the leases considered for sale. BLM's 132-page Environmental Assessment (DOI-BLM-NM-040-2015-61-EA) on these leases concluded that drilling and fracking are "not expected to have significant impacts on the environment." This Environmental Assessment took into account several factors including water quality, wildlife, vegetation, climate change, aesthetics and much more.

The BLM also noted that the impacts of preventing this lease sale could be significant. Prohibiting the sale would negatively impact the local and state economies, stripping these areas of potential jobs and tax revenue for local and county governments. According to the BLM's assessment,

> *"By not leasing the proposed parcels under the No Action Alternative, there may be negative effects on the overall employment opportunities related to the oil and gas and service support industry, as well as a loss of the economic benefits to state and county governments related to royalty payments and severance taxes."*

Oil and natural gas workers are suffering enough due to low commodity prices. Local businesses that service the industry and cities that rely on these steady revenue sources are also struggling. Although no lease sale could single-handedly change the current market, it would have a positive impact on the local economy, including the opportunity for struggling oil and natural gas workers to find jobs to continue to support their families.

The BLM must continue with the planned sale. We are confident that you will stand by your Environmental Assessment and help provide economic opportunities to the families in these areas. Thank you for considering these comments.

Sincerely,

Todd Staples
President, Texas Oil and Gas Association