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PRESS STATEMENT

New Federal Oil and Gas Leasing Should Not Occur Before Program Reforms

WASHINGTON, D.C. – On March 18, after a decision in the federal courts allowed the Biden administration to continue the use of an interim <u>social cost of carbon</u>, a metric used to determine the external cost of fossil fuel extraction, the Department of the Interior (DOI) has unfortunately announced that it will <u>resume the sale of oil and gas leases</u> for public minerals underlying federal, tribal, state and privately owned land. In response, the Western Organization of Resource Councils (WORC) issued the following statement from **Barbara Vasquez, a leader with the Western Organization of Resource Councils from Cowdrey, Colorado:**

"The decision by the Court of Appeals for the Fifth Circuit to resume the use of the social cost of carbon is key to President Biden's climate and energy agenda. We congratulate the administration for realizing the true costs of oil and gas extraction on individuals, communities, and the environment. However, resuming leasing without meaningful reform of our country's broken oil and gas program will continue business as usual and add to the bankruptcies, forfeitures, and a new generation of orphaned wells across the country.

"This is a choice by the Biden administration to continue with the status quo and enable an industry responsible for the single largest sources of climate-disrupting carbon pollution in the country. New lease sales unnecessarily add to the problem. The oil and gas industry is currently sitting on <u>millions of acres</u> of undeveloped and idle leases. While the industry is enjoying near-record <u>profits</u>, this should be a time for the administration to prioritize taxpayer equity by reviewing and updating the prices for leases and royalties. It's also a time to ensure that bonding is adjusted for the real cost of plugging wells and remediating sites to make certain the cost of that work doesn't fall to the American people. We also want to remind the administration that there is no legal mandate for BLM to issue new leases.

"We continue to encourage the administration to take necessary and long-overdue actions to stop the waste of public resources by ensuring that the sale of public oil and gas accounts for the full cost of production and reclamation, requiring a fair return on publicly owned resources, and leading an efficient and transparent process for public participation and input."

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<u>The Western Organization of Resource Councils (WORC)</u> is a network of grassroots organizations that span seven Western states with more than 15,000 members. Many WORC members live on lands overlying and neighboring federal, tribal, state and privately owned oil and gas deposits, and experience

numerous impacts due to federal oil and gas production. Headquartered in Billings, Montana, WORC also has offices in Colorado and Washington, D.C.