

Congress of the United States
Washington, DC 20515

April 9, 2014

The Honorable Sally Jewell
Secretary
United States Department of the Interior
1849 C Street NW
Washington, D.C. 20240

Dear Secretary Jewell:

It has come to our attention the New Mexico Bureau of Land Management (NMBLM) is in the process of altering the method in which federal mineral lease sales are scheduled. Considering the oil and gas industry accounts for about 31.5 percent of New Mexico's tax revenue, we are concerned NMBLM's rescheduling proposal may result in adverse economic impacts that were initially unforeseen.

As you may be aware, NMBLM has traditionally offered for lease federal minerals within its territory (New Mexico, Oklahoma, Kansas and Texas) four times a year. Federal lease activity in New Mexico makes up the large majority of the parcels offered in these lease sales. Oil and gas companies generally assemble acreage through multiple leases to insure economically viable drilling projects.

In this recent action, NMBLM has apparently decided to hold four sales "but only offer for sale federal mineral estate within a certain District, Field and /or geographic area once per year". This new scheduling process will, without a doubt force additional delays in the orderly development of federal leases. As a result, revenue to the federal government and to New Mexico will be delayed and may ultimately be reduced. In some cases the delay could be very significant as financing for a delayed project as well as drilling rigs are allocated to other projects that are not located in New Mexico.

Several years ago, in other states, the Bureau of Land Management adopted a reduced lease sale schedule. Those states do not have the volume of oil and gas production activities that compare to New Mexico. We are unaware of any issues that have arisen in the past few years that would warrant a major change in scheduling procedures for New Mexico. In fact, the NMBLM has done an outstanding job in balancing energy development with environmental concerns. When issues with particular parcels or actual protests have occurred the NMBLM has moved quickly to address them.

It is our understanding that there is nothing to prevent NMBLM from maintaining its historic scheduling practice. We ask that you review this matter, and hope that New Mexico can maintain its economic growth and continue contributing to America's energy independence. Thank you for your consideration. We look forward to your response.

Sincerely,



TOM UDALL
United States Senator



MARTIN HEINRICH
United States Senator



STEVE PEARCE
United States Representative



BEN RAY LUJÁN
United States Representative



MICHELLE LUJAN GRISHAM
United States Representative

CC: Neil Kornze, Principal Deputy Director - Bureau of Land Management