



**FOR IMMEDIATE RELEASE**  
September 9, 2020

**CONTACT**  
Robert McEntyre  
[robert@nmoga.org](mailto:robert@nmoga.org)  
(505) 510-1372

# NEWS RELEASE

## **New Analysis Shows New Mexico Among Hardest Hit States by Proposal to Ban Federal Land Leases**

*Ban Would Threaten 62,000 New Mexico Jobs, \$1 Billion in  
State Revenue*

SANTE FE, NEW MEXICO, September 9, 2020 – The New Mexico Oil and Gas Association (NMOGA) and the American Petroleum Institute (API) today released a [new analysis](#) warning of negative consequences for New Mexico if a ban on federal leasing and public lands were to take effect. New Mexico, which accounts for 57 percent of federal onshore oil production and 31 percent of onshore natural gas production, is projected to be among the [states hardest hit](#), losing over 62,000 jobs by 2022. With nearly 40 percent of the state’s budget funded by natural gas and oil production, a ban could put at risk more than \$1 billion of federal revenue sharing which helps support New Mexico’s education and conservation programs.

“Restricting oil and gas development on federal lands will rob New Mexico of opportunities for economic growth and hollow our schools of critical resources that put teachers in classrooms and help our young children learn,” NMOGA Executive Director Ryan Flynn said. “New Mexico has enjoyed economic success in recent years because of investments and responsible development on federally managed lands but changing course now will only ensure that jobs and capital stops at our state border. With vast stretches of public land, it is simply impossible to divorce our economic success from land management policy in western states like New Mexico and funding for education, access to healthcare, and new infrastructure are all on the line as a result.”

“Banning federal leasing and development on federal lands and waters would derail decades of U.S. energy progress and return us to the days of relying on foreign energy sources hostile to American interests,” API President and CEO Mike Sommers said. “This is ultimately a choice between American-made energy and foreign energy, a choice between American jobs and foreign

jobs. It's clear a federal leasing ban should be off the table – there's far too much at stake for American workers, local economies and our nation's energy security.”

The analysis, prepared by OnLocation and commissioned by API, used the same software the U.S. Energy Information Administration (EIA) uses to produce their Annual Energy Outlook. Key projections include:

- The impact of a federal leasing ban in New Mexico would be devastating:
  - Oil production would decrease by 47 percent and natural gas production would decrease by 46 percent.
  - Over 62,000 jobs would be lost, accounting for over 5 percent of the total jobs in the state.
  - \$1.1 billion in state revenue would be at risk.
    - New Mexico's \$2.5 million in funding through the Land and Water Conservation Fund would be at risk.
- America's energy security would be at risk:
  - By 2030, offshore production for natural gas would decrease by 68 percent and for oil by 44 percent.
  - U.S. oil imports from foreign sources would increase by 2 million barrels a day.
  - Through 2030, the U.S. would spend \$500 billion more on energy from foreign suppliers.
- The U.S. economy would take a hit:
  - U.S. GDP would decline by a cumulative \$700 billion through 2030.
  - Over \$9 billion in government revenue, including funding for state education and conservation programs, would be at risk.
  - Nearly one million jobs would be lost by 2022, with top production-states suffering significant losses.
- Environmental progress would be stalled:
  - Coal use would increase by 15 percent by 2030.
  - CO2 emissions would increase by an average of 58 million metric tons (MMT) to represent a 5.5 percent increase in the power sector by 2030.

Click [here](#) for more information on the analysis. Click [here](#) for more information on federal leasing.

The New Mexico Oil & Gas Association (NMOGA) is a coalition of oil and natural gas companies, individuals, and stakeholders dedicated to promoting the safe and environmentally responsible development of oil and natural gas resources in New Mexico. Representing over 1,000 members, NMOGA works with elected officials, community leaders, industry experts, and the general public, to advocate for responsible oil and natural gas policies and increase public understanding of industry operations and contributions to the state. Learn more at [NMOGA.org](http://NMOGA.org).

API represents all segments of America's oil and natural gas industry. Our more than 600 members produce, process and distribute most of the nation's energy. The industry supports more than ten million U.S. jobs and is backed by a growing grassroots movement of millions of Americans. API was formed in 1919 as a standards-setting organization. In our first 100 years, API has developed more than 700 standards to enhance operational and environmental safety, efficiency and sustainability.

To learn more about API and the value of oil and natural gas, please visit [API.org](http://API.org).

###