

RESEARCH BRIEF:

“The Fiscal and Economic Impacts of Federal Onshore Oil and Gas Lease Moratorium and Drilling Ban Policies”

WHAT IS THE STUDY ABOUT?

The study outlines the fiscal and economic ramifications that Wyoming could face with the possibility of a moratorium on new federal leases for oil and gas companies, or a full drilling ban on onshore federal leases.

WHY IT WAS NEEDED

With 48% of land area in the Wyoming owned by the federal government, the report forecasts that a cessation of new leases on federal land could significantly impact the state's economy, reducing employment and severance and ad valorem tax revenues.

States with onshore federal lands use this income to fund education, health care, local governments, and special districts, such as conservation boards. If continued, a lease moratorium could jeopardize funding for these programs.

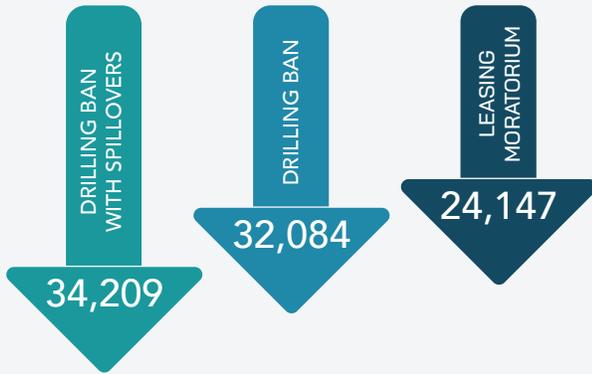
WHAT THE AUTHOR CONCLUDED

The author concluded that even if in the unlikely event a leasing moratorium or a drilling ban were to reduce emissions, they would be achieved at great cost. There are many cost effective technologies and strategies to reduce greenhouse gas emissions. Restricting development of oil and gas on federal lands is not one of them.



JOB LOSSES

Losses in Average Annual Employment from 2020-2040



Alternatives to offset carbon emissions versus federal leasing bans:

- Capturing production off-gasses once vented or flared
 - CO2 capture and sequestration
 - Planting trees to offset emissions

LOSSES IN TAX REVENUES

Total losses in Wyoming Tax Revenues 2020-2040



48% of land area in Wyoming is federal
53.6% is used for oil production | 78.6% is used for gas production

DISCLAIMER: Assumptions are made from mid-price oil scenarios and to see wyoenergy.org/reports for the full report

AGGREGATE ECONOMIC IMPACTS

Billion 2019 dollars for Oil & Gas Scenarios

LEASING MORATORIUM

Drilling Investment	\$82.2
Energy Production	\$47.7
Gross State Product	\$79.7
State & Local Taxes	\$6.0
Mineral Taxes	\$10.7
Average Annual Jobs	24,147

DRILLING BAN

Drilling Investment	\$84.4
Energy Production	\$74.3
Gross State Product	\$100.3
State & Local Taxes	\$8.2
Mineral Taxes	\$16.6
Average Annual Jobs	30,085

DRILLING BAN WITH SPILLOVERS

Drilling Investment	\$93.9
Energy Production	\$86.1
Gross State Product	\$114.1
State & Local Taxes	\$9.4
Mineral Taxes	\$19.3
Average Annual Jobs	34,209

A leasing moratorium or drilling ban reduces investment in new oil and gas wells and results in fewer future oil and gas production.

