

## **Salazar dumps Bush oil shale policy**

By MJ Clark

**February 26, 2009 --**

WASHINGTON D.C. — Yesterday the Obama administration reversed another controversial Bush-era policy, this time on oil shale. The policy, created in the final days of the Bush administration, would have lifted a 79-year old executive order prohibiting oil shale development in Wyoming and Utah. The order was lifted from Colorado in 2001.

Although the Bureau of Land Management estimates that the three Western states contain the equivalent of 800 billion barrels of oil, enough to fuel the U.S. for more than a century, the oil is locked in oil shale deposits and will require sophisticated, expensive and yet-to-be-perfected extraction methods to exploit.

Secretary of the Interior Ken Salazar explained that he was withdrawing the previous administration's policy because it had several flaws.

"The previous administration offered their RD&D oil shale leases just days before leaving office, made the parcels four times the size of the current six RD&D leases, and then locked in low royalty rates and a premature regulatory framework for those leases," the new secretary said. "If oil shale technology proves to be viable on a commercial scale, taxpayers should get a fair rate of return from their resource."

The new administration is proposing a second round of RD&D leases for oil shale in Colorado and Utah, but not Wyoming. Oil shale development in Wyoming would have threatened Adobe Town, some of the state's most spectacular wilderness.

Industry, local communities, states and stakeholders will be asked for comment for a period of 90 days from Friday, Feb. 27, 2009.