



Bureau of Land Management
Montana/Dakotas State Office
Branch of Fluid Minerals
Attn: Christine Cimiluca
5001 Southgate Drive
Billings, MT 59101

The Montana Public Policy Center comment in support of June 27,2023 Comp Sale:

The Montana Public Policy Center (“MPPC”) fully supports the proposed lease sale from the BLM’s Montana-Dakotas State Office. After months of high inflation rates nationwide and rapidly increasing costs of living, this lease sale poises local economies to see new jobs, new tax revenues, and new opportunities for years to come. MPPC is pleased to see the BLM acting to offer the lease opportunities, in accordance with their federal mandates.

This lease sale will open the door for significant economic investments into Eastern Montana and Western North Dakota. Recent changes to the leasing process have increased royalty rates from 12.5% to 16.67% on these projects, bringing the rates to comparative levels of other lease options. In addition, rental rates have increased to \$3.00 per acre for the first two years of the lease, \$5.00 per acre for years three through eight, and \$15.00 per acre for years nine and ten. This is a significant increase from the prior rates of \$1.50 per acre for the first five years and \$2.00 per acre for each year after. With the proposed lands totaling just shy of 21,000 acres, these increased rates will result in increased returns for local taxpayers and their surrounding communities.

The BLM and the energy companies that will bid on the leases have made important strides in recent years to ensure that any oil and gas production on these lands is done in a safe, clean, and effective manner while still providing economic returns to local economies and taxpayers alike. MPPC applauds this step forward.