#### Restrictions on production in the legal sense means there must be a penalty for non-compliance- that excludes practical, economic, or market-based barriers

Barthelemy 99

[Jacques, Production Rights in European Agriculture, p. 200 //wyo-tjc]

The milk quota system, to quote the prime example, is a levy imposed on production in excess of reference quantities, 01 'quotas'. The Community does not prohibit surplus production, but it does make it subject to a very dissuasive tax. An 'overproduction tax’ as high as that under the milk quota system is tantamount, in economic terms at least, LO a prohibition on large-volume production above the limits laid down. The beet quota system\* on the other hand, is of a different legal nature. This is based on production limits that are governed in practice by delivery contracts between growers and sugar companies.

In other industries, limits exist as conditions for the granting of direct aid. In such cases, this is not a direct restriction on production, in a strictly legal sense. The farmer is free not to comply with these conditions if he chooses not to accept the aid offered. Economically, he often has no choice. Accordingly\* in order to obtain Community aid, he has to comply with the conditions that apply. For instance, under the support scheme for arable crop growers, aid applications cannot be submitted in respect of land which was used for permanent pasture, permanent crops, forest or non-agricultural uses4 as at 31 December 1991. Such a provision, designed to avoid speculation in arable crops triggered purely by the introduction of the direct aid system in 1992, divides agricultural land into two: land which is eligible for arable land support and ineligible Land. This is a permanent division. The set-aside obligation, signifying each producer's individual contribution to the disciplining of production under the same system, is another example of this form of restriction.

#### Indirect restrictions on production creates unpredictable angles—drought relief would be topical

News Herald 8

[staff, “Drought has Burke as parched as kindling”, p. ln//wyo-tjc]

Aug. 24--MORGANTON -- For the first time this year, "exceptional drought" is parching every county in southwest North Carolina, including Burke. Twelve months ago, 12 southwest N.C. counties were in the driest, most-hardhit category, called "D4," on the U.S. Drought Monitor map. Today there are 21 D4 counties in North Carolina. One sixth of the state is suffering the effects of exceptional drought, according to this week's update from the National Drought Mitigation Center. A D4 zone can grow like a cancer, inflicting hardship on farmers, crops and wildlife. It can force restrictions on energy production, because power plants need large amounts of cooling water, and on public water use. Drought degrades the environment and increasing the likelihood of wildfires. It even stresses people's nerves and emotional health. In 2007, exceptional drought started in early August and eventually spread across 78 N.C. counties. The drought gradually eased its grip through the first quarter of 2008.

#### Oil production high now- oil prices, technology

Burnett Oct. 17th

[Sterling Burnett, National Center for Policy Analysis think tank blogger, October 17th, 2012, President Obama on Oil and Gas Production, <http://realitycheck.ncpa.org/president-obama-on-oil-and-gas-production/>, uwyo//amp]

Obama: “So here’s what I’ve done since I’ve been president. We have increased oil production to the highest levels in 16 years. Natural gas production is the highest it’s been in decades.” Reality Check: While President Obama is correct that oil and gas production are up during his presidency, little to none of the credit is due to his policies. Almost all the increase in oil and gas production has occurred on private or state lands, especially in North Dakota, Montana and even Texas. High prices for oil have driven additional development of previously uneconomic reserves. Natural gas production from federal areas has declined while natural gas production overall has increased considerably due to technological breakthroughs in the production (i.e. in fracking) of gas from vast shale deposits. Though new leases and acreage leased has declined, oil production from existing leases has increased 13 percent over the past four years (despite last year’s significant decline). Oil production on existing leases increased due to continued high oil prices, which has made previously uneconomic reserves of oil, finally possible to develop profitably. The oil and gas industry warns, however, that this increase may come to a halt, if new oil and gas leasing and production regulations from the Obama administration under development, already proposed, or previously approved and soon to take effect, actually take effect.

#### Production up now- gas boom

Mitchell Nov. 1

[Gary Mitchell, journalist, November 1, 2012, Lottery Win' Gas Boom Farmers Fear Obama, <http://news.sky.com/story/1005667/lottery-win-gas-boom-farmers-fear-obama>, uwyo//amp]

Landowners in the east of the state, many of whom have been struggling to make ends meet, are enjoying a huge reversal of fortune thanks to a natural gas boom. Keith Burgett, 69, who was among the first to have a well drilled by oil firm Chesapeake a year ago and whose land is earmarked for several more sites, told Sky News the windfall was "like winning the lottery" - but he believes Mr Obama could try to stop it if he wins a second term in the White House. Oil and gas exploration firms have leased parts of farmers' properties, handing over upfront payments of hundreds of thousands of dollars with the possibility of more in royalty cheques as fuel is pumped out.