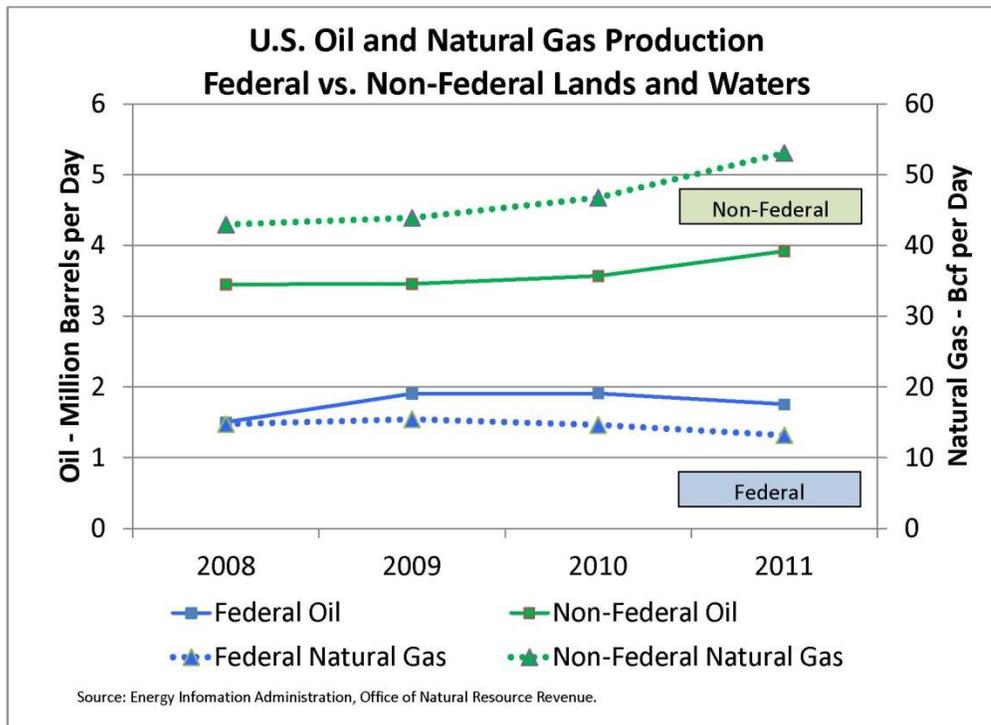


Administration energy strategy is not “all of the above”

An “all-of-the-above” energy strategy, including oil and natural gas, is essential to America’s economic and energy future. Administration projections show oil and gas will supply most of the nation’s energy for at least 25 years. While the administration claims to support an “all-of-the-above” strategy, it is, in fact, delaying or obstructing oil and gas development in the United States.

The administration says that U.S. oil and natural gas production is up, but most of the increase relates to leasing and permitting decisions made before it took office. Moreover, combined oil and gas production from all federal areas (land and water) – where the administration actually has control – was down in 2011 compared with 2009, according to Energy Information Administration data. Over this period, production in federal areas fell for both oil (7.9 percent) and for natural gas (6.8 percent).

U.S. oil and natural gas production increased in 2011 over 2009 only as a result of growing production on state and private lands – up almost 29 percent for oil and 22 percent for natural gas.



Leasing and permitting have continued to occur, although, comparing 2011 with 2009, at diminished rates. But a better barometer of the administration’s commitment to more U.S. oil and natural gas development – which could generate huge numbers of new jobs, increase revenue to the government, enhance our energy security, and increase supplies that could put downward pressure on prices – is administration policy decisions.

The picture here is mostly discouraging:

2009

- Administration cancels leases on 77 parcels of land in Utah (February).
- Administration delays new offshore leasing plan by adding another half year to comment period (February).
- Administration proposes billions in new taxes on oil and gas industry in FY 2010 budget proposal (February).
- Following protests by environmentalists, BLM suspends sale of 31 drilling tracts in Utah that had already been purchased (June).
- Administration revisits Utah leases, continuing suspension or permanently withdrawing most (October).
- Administration announces new round of oil shale research and development leases in Colorado, Wyoming, and Utah with significantly reduced lease acreage and unattainable lease terms (October).
- Administration shortens lease terms for upcoming Central Gulf of Mexico lease sale (November).

2010

- Administration proposes additional regulatory hurdles for development on federal lands (January).
- Administration proposes billions in new taxes on oil and gas industry in FY 2011 budget proposal (February).
- Administration cancels the remaining Alaska lease sales in the Beaufort and Chukchi Seas offshore and withdraws Bristol Bay from the program (March).
- Administration cancels the Virginia offshore lease sale, despite bipartisan support from Virginia's governor and congressional delegation (May).

2011

- Administration proposes billions in new taxes on oil and gas industry in FY 2012 budget proposal (February).
- Administration releases a draft forest management plan that proposes a ban on horizontal drilling in the George Washington National Forest (April).
- Administration issues an ANPR regarding new regulations for gas gathering lines that would substantially impact development of the Marcellus Shale (August).
- Administration proposes one-size-fits-all new source performance standards that, lacking a phase-in period to manufacture the control equipment, may significantly hamper oil and gas operations (August).
- Administration again proposes billions in new taxes on the oil and gas industry (September).
- Administration issues new 2012-2017 five-year plan that fails to open any new offshore areas to oil and gas development (November).
- Administration releases final study plan on potential impacts on groundwater from hydraulic fracturing that fails to address concerns regarding the transparency and scientific validity of the study approach (November).
- Administration raises the minimum bid amount for offshore lease blocks in water depths of 400 meters and greater from \$37.50 per acre to \$100 per acre (December).

- Administration produces a draft report outlining the findings of its groundwater investigation in Pavillion, Wyoming and receives extensive criticism for questionable scientific methodology (December).
- Administration cancels a planned auction of public lands in the Wayne National Forest to review scientific information regarding horizontal drilling and hydraulic fracturing (December).

2012

- Administration rejects permit for Keystone XL pipeline (January).
- Administration begins testing water wells in Dimock, Pennsylvania despite having no new information to justify reversing previous statements that laboratory data did not indicate that water quality presented an immediate health threat (February).
- Administration recommends removing from leasing availability over 1.8 million acres of oil shale and tar sands energy resources in Colorado, Utah and Wyoming (February).