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January 31, 2017

The Honorable Paul D. Ryan  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Nancy Pelosi  
Democratic Leader  
U.S. House of Representatives  
Washington, DC 20515

Dear Speaker Ryan and Democratic Leader Pelosi:

The American Petroleum Institute strongly supports H.J. Res. 36, providing for congressional disapproval under the Congressional Review Act (CRA) of the Department of Interior's "Methane and Waste Prevention" rule that went into effect in the final days of the Obama administration. This redundant and technically flawed rule will further impede oil and natural gas production on federal land, which already has been declining – down 18 percent from 2010 to 2015. The rule is a step backwards for U.S. energy policy and all Americans who benefit from domestic energy production. As such, it is important that the House support the disapproval resolution so that we may harness the increased economic opportunity and enhanced national security that our abundant federal resources can provide.

The U.S. is in the midst of a 21<sup>st</sup> century energy renaissance, the result of advanced hydraulic fracturing and horizontal drilling. These are yielding an abundance of affordable U.S. oil and natural gas and enhancing our economic and national security. While oil and natural gas production on federal and Indian lands has fallen, production on state and private lands has increased 55 percent over the same period. In combination with other regulations added by the previous administration, the Bureau of Land Management's (BLM) methane rule risks further discouraging future investment in production on Indian and federal lands. The rule's unnecessary requirements could result in the shut-in of a number of currently producing wells, reducing revenues to the federal treasury and the supply of affordable energy for American consumers and businesses.

Also troubling is the fact that BLM lacks authority to regulate air quality, and that this rule overlaps regulations already adopted by the states and EPA, which possess the relevant authority. Even as the U.S. has become the world's leading producer of oil and natural gas, methane emissions have fallen as a result of industry leadership and investments in new technologies. Those investments, combined with the increased use of cleaner-burning natural gas to provide electricity to our homes and factories, have helped the U.S. achieve near 20-year lows in carbon emissions.

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Given the broad impacts to U.S. oil and natural gas production on Indian and federal lands, the lack of authority by BLM to regulate air quality and the fact that U.S. producers already are highly incented to capture methane for delivery to American consumers, it is appropriate for the Congress to use the CRA to disapprove this redundant and unnecessary regulation. We applaud the House of Representatives' attention to this important matter and ask that all members of the House support this resolution when it is considered on the floor. We know that the exploration and production of federal oil and natural gas will further enhance U.S. economic and national security, and that a forward-thinking energy policy that prioritizes and grows federal production will benefit all Americans.

Sincerely,

A handwritten signature in black ink, appearing to read "Jack Gerard", with a long horizontal flourish extending to the right.

Jack N. Gerard  
President and CEO

Cc: Members of the U.S. House of Representatives