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**U.S. House of Representatives**  
**Committee on Natural Resources**  
**Washington, DC 20515**

**Opening Statement of  
Chairman Doc Hastings**  
**House Committee on Natural Resources**  
**1324 Longworth House Office Building**

**Energy and Mineral Resources Subcommittee Oversight Hearing on  
"America's Offshore Energy Resources: Creating Jobs, Securing America, and Lowering  
Prices"**

**Tuesday, March 5, 2013, at 10:00 am**

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The landscape of American energy production has changed tremendously over the past four years. Overall oil and natural gas production is at an all-time high and creating thousands of new jobs across the country. Yet this is only half the story – the half that President Obama likes to take the most credit for, but for which he actually deserves the least.

The bulk of this new energy production is happening on state and private lands. Places that are not as impacted by the paralyzing web of bureaucratic red tape, and places where the average time to get a drilling permit approved is 12 -15 days instead of 303 days on federal lands.

While state and private lands are experiencing an energy revolution, federal lands and waters remain captive under President Obama's policies. President Obama has locked-up 85 percent of our offshore areas to new energy production. Areas that were open when President Obama took office now have "do not enter" signs.

A recent report found that allowing new offshore energy production in areas that are currently closed would create long-term benefits of 1.2 million American jobs and an \$8 trillion increase in GDP. Unfortunately, President Obama is forfeiting these economic benefits by maintaining his offshore drilling moratorium.

This is especially troubling given our current budget crisis. In light of record debt and deficits, and the current sequestration cuts going into effect, we should be looking for every opportunity possible to raise new revenues without raising taxes. Energy production is one of the best ways to do that.

Yet there are some, including the Obama Administration, who are trying to use the sequestration as another excuse to block American energy production.

Energy production on federal lands is the second highest source of revenue to the Treasury,

bringing in an estimated \$16 billion in 2012. It generates more than enough revenue to pay for itself. During this budget crisis, it makes absolutely no sense to cut back on an activity that actually generates revenue for the federal government. The President, now more than ever, should be taking immediate action to expand offshore energy production in order to raise new revenues.

Furthermore, it's hard to take seriously the concerns of those who warn that oil and natural gas production will decline due to sequestration when these are the same people who have opposed every single pro-energy bill we've brought to the House floor. They don't support offshore drilling and this is one more excuse to block it. The Obama Administration has repeatedly blocked access to American energy resources and is now shamefully trying to use the sequester to further reduce energy production.

If reducing the debt is a priority; if growing our economy is a priority; if creating new American jobs is a priority; and if lowering gasoline and energy prices is a priority - then we need to make increased American energy production a priority.

While state and private lands are reaping the rewards of increased energy production, our federal lands are falling behind. But it doesn't have to be that way.

The United States has yet to reach its full energy potential, but it can if the Obama Administration would simply get out of the way and allow the people's energy resources to be harnessed.