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Local Business Owners Thankful for Job Creation Benefits of American Energy Production on Private and State Lands

Under Obama Admin Energy Production on Federal Land Still Down, Failing to Create Jobs and Grow Economy

WASHINGTON, D.C. – Today, the Subcommittee on Energy and Mineral Resources held an [oversight hearing](#) on “America’s Onshore Energy Resources: Creating Jobs, Securing America, and Lowering Prices.” The hearing was an opportunity to hear from witnesses who own and operate businesses that have benefited from increased production of American oil and natural gas on state and private lands and examine why those same benefits aren’t being realized on federal lands.

“While we often discuss the jobs that are created in the upstream energy production, frequently overlooked are the indirect jobs created as a result of robust and thriving energy production in a region. For every direct job created in the shale gas sector, more than three indirect jobs are created. This includes jobs in construction, manufacturing, retail trade, transportation, finance, real estate, health services, and education,” [said Subcommittee on Energy and Mineral Resources Chairman Doug Lamborn \(CO-05\)](#). “Unfortunately, despite these uplifting stories and the tremendous potential onshore oil and natural gas holds for American job creation, economic growth, energy security, and increased revenue, the Obama Administration has taken the wrong path. The Administration has made a concerted effort to impose duplicative and burdensome regulations, withdraw hundreds of thousands of acres from energy development with little to no explanation. The consequence is to force companies off of federal land in search of more certainty on state and private lands, this depresses our western land communities harming our businesses and lowering our tax base.”

Witnesses fortunate enough to operate businesses near state and private lands, where increased American energy production is occurring, relayed their success stories while those from federal land areas expressed frustration over the Obama Administration’s restrictive policies.

[Don Shilling](#), President of general equipment and supplies division of Energy Equipment and Infrastructure Alliance told the subcommittee “*shale energy extraction has resulted in exponential business growth...over the past three years, my company has doubled its revenue, mostly because of energy development.*” Shilling asked that federal government refrain from

over-regulating the industry because *“in order for the economy to reap the full reward from shale energy, the federal government must refrain from micromanaging the industry and defer to state regulators.”*

[Paul Cicio](#), President of Industrial Energy Consumers of America explained how new America natural gas production has spurred investment, resulting in over *“\$95 billion in announced capital investments in mostly energy-intensive manufacturing sector companies.”* Cicio noted *“manufacturing jobs have increased by 464,000 from 2010 to 2012”* while manufacturing exports *“have increased 46%”* from 2009 to 2012.”

[Whit Perryman](#), Chief Executive Officer of Vermeer Texas-Louisiana, sells and rents construction equipment near areas where state and private American energy production is booming. Perryman told the subcommittee that since 2003, *“sales revenue has tripled and at least 50 percent of our revenues are attributable to shale energy development...”* during that same time period *“the company has nearly doubled its workforce.”* Perryman stressed *“The economic impact of shale energy development isn’t limited to states and communities bordering the shale regions. Most of the construction equipment manufacturers are located in other parts of the Country...the economic benefits extend to the communities where these manufacturers are located.”*

[Michael McKee](#), County Commissioner in Uintah Country, Utah saw the Obama Administration take away 77 Utah oil and natural gas leases, which ended up costing the Uintah Basin 4,000 jobs. McKee noted *“60% of the Uintah Basin’s economy and 50% of our jobs are tied to the extractive industry”* and that a recent study shows *“a typical oil and gas well in Utah creates 11.9 jobs”* and *“an additional 15.2 indirect jobs.”* McKee said that in Eastern Utah there is potential for *“an additional 20,160 wells that could create a total of 23,264 new annual jobs...generate \$1,409,512,245 annually”* and generate *“124 billion dollars in total economic activity and the 1.4 billion dollars in annual employment.”*

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