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PERMALINK

Obama Administration American Energy Roadblocks Part 7: Oil Shale

Oil shale is one of the most promising new sources of American-made energy. According to the U.S. Geological Survey (USGS), the U.S. holds more than half of the world's oil shale resources. The largest known deposits of oil shale are located in a 16,000-square mile area in the Green River formation in Colorado, Utah and Wyoming. USGS estimates show the region may hold more than 1.5 trillion barrels of oil – six times Saudi Arabia's proven resources, and enough to provide the United States with energy for the next 200 years. But instead of promoting new technologies and the responsible development of this abundant resource, the Obama Administration has repeatedly delayed and hindered U.S. oil shale production.

- **A month after taking office, the Obama Administration** delayed the new round of oil shale research, demonstration, and development (RD&D) leases that would help advance American technology and create high-tech jobs in Colorado, Wyoming and Utah.

- **In October 2009, the Interior Department announced a new round of RD&D leases that included significant changes to the program.**

  - The new program decreased lease acreage by 87 percent, demanded unrealistic timelines for investment into cutting edge research, included unattainable production requirements, and implemented variable royalty rates.

  - As a result, only three companies applied for this latest round of RD&D leases.

In 2011, the Interior Department announced plans to review the current rules for oil shale leasing, imposing further delays. The current rules were adopted under a rigorous and open public rule making progress. The Obama Administration's review was a redundant step that halted progress on the development of our oil shale resources and created more uncertainties for American job-creators interested in investing in this new technology.

- Dan Whitney, Heavy Oil Development Manager for Shell Exploration and Production Company, testified at a Committee field hearing in Colorado that the *"lack of policy and regulatory consistency from one administration to another makes the investment climate even more risky and potentially untenable."* Continuing to stress the need for consistent public policy, Mr. Whitney said, *"there are already adequate checks and balances provided in existing regulatory programs,"* and that reviewing current rules is an *"inefficient and unnecessary use of taxpayer money and is a significant deterrent to capital investment."*

In 2012, the Interior Department announced a draft Bureau of Land Management plan to close over a million acres of public land in Colorado, Utah and Wyoming to oil shale development.

To learn more about how the Obama Administration has blocked, delayed and hindered American energy production, visit http://naturalresources.house.gov/roadblocks

Part 1: Offshore Drilling
Part 2: Hydraulic Fracturing on Federal Lands
Part 3: War on Coal
Part 4: Alaska
Part 5: Onshore Oil & Natural Gas
Part 6: Renewable Energy

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