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**Committee on Natural Resources**  
**Washington, DC 20515**

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**Opening Statement of**  
**Chairman Doc Hastings**  
**House Committee on Natural Resources**  
**Before the Full Committee Oversight Hearing on**  
**"The Future of U.S. Oil and Natural Gas Development on Federal Lands and Waters"**  
**Wednesday, November 14, 2011, 10:00 a.m.**

I appreciate Secretary of the Interior Ken Salazar for being here today to discuss the future of U.S. oil and natural gas production on federal lands and waters.

As this Committee has regularly pointed out, U.S. energy production is vital to create jobs, strengthen our national security and generate new federal revenue. That's why it's important to not only remove government hurdles that stand in the way of increased energy production, but to explore new opportunities and new areas for energy production.

There are two specific topics I hope to focus on today - the Interior Department's potential regulation of hydraulic fracturing on federal lands and the Obama Administration's draft five-year offshore leasing plan that was unveiled last week.

I asked the Secretary to testify before our Committee prior to the Interior Department issuing any new regulations or requirements governing hydraulic fracturing. I understand, according to news reports, they could come at any time. It's the responsibility of this Committee to carefully examine this issue and ensure that any action taken by the Administration is within the law and takes into consideration impacts on jobs, local communities, states, revenues and our economy.

Hydraulic fracturing is necessary to extract natural gas and oil from unconventional shale reservoirs. It has been effectively regulated by states for over 60 years and the process today is responsible for 30 percent of our domestic oil and natural gas production.

Given that President Obama had identified natural gas usage as an area in which he wanted to seek bipartisan cooperation, it is concerning that potential onerous regulations could drastically curtail that cooperation and impede its development and usage. But that's why we are having this hearing.

Another proposal we will closely examine is the Administration's draft five-year leasing plan for the Outer Continental Shelf.

Let me start by reminding everyone that in 2008 both Congress and President Bush lifted the decades-long ban on new offshore drilling. This created new opportunities off the Atlantic and Pacific coasts for energy production, job creation and new revenues.

Unfortunately, these opportunities have been missed by this Administration. They have ignored the bipartisan will of both Congress and the American people to allow for new drilling off our coasts. The Obama Administration's draft plan only allows lease sales to occur in areas that were previously open and it indefinitely delays the Virginia lease sale scheduled to take place last year. With this, the President has effectively put the moratorium back in place.

It should also be noted that this plan is two years late. The plan was supposed to be for 2010-2015, with new lease sales starting in 2011. The Administration first punted the plan for six months and eventually ended up delaying it for two years.

Despite this two year delay, there are no new areas offered in the draft plan. The Administration took an extra two years to offer less than what was originally proposed.

In contrast, the House has passed three bipartisan bills that will create over a million new jobs by providing access to our own U.S. energy and opening up new offshore areas for drilling that contain the most oil and natural gas resources.

We will likely hear today that U.S. oil and natural gas production is at an all time high. Yet that is true only because of the actions and policies of past Administrations – both Republican and Democrat - that allowed for the leasing and production of our energy resources on public lands and the significant oil boom on private and state lands in North Dakota.

We will not be able to continue to meet our country's energy and economic needs if restrictive policies are imposed that lock-up our energy resources and keep us at the mercy of foreign sources for our energy needs.