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

Opening Statement of Chairman Doug Lamborn

Subcommittee on Energy and Mineral Resources

On Thursday, July 25, 2013
1334 Longworth House Office Building Subcommittee Legislative Hearing on
H.R. 2728 - "Protecting States' Rights to Promote American Energy Security Act"

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I'd like to start by thanking our distinguished panel of State witnesses for being with us today. Today we are meeting on the "Protecting States' Rights to Promote American Energy Security Act." This legislation, introduced by Congressman Flores, would require the Department of the Interior to defer to State regulations, permitting, and guidance regarding hydraulic fracturing on federal lands within the State's boundaries.

Since taking office, the Obama Administration has pursued the nationalization hydraulic fracturing regulations, determining that a big government solution is the best solution. While the Administration claims these regulations are meant as a "baseline," the reality is these burdensome and duplicative regulations could significantly inhibit hydraulic fracturing on federal land – thereby inhibiting energy production, American job creation, and continuing our dependence on foreign energy imports.

At a hearing last week, Secretary Jewell testified to our Committee that baseline standards covering flowback control, wellbore integrity, and other basic requirements were needed at the federal level. However, the States have proactively taken the lead in managing hydraulic fracturing development on their lands and have been successfully doing so for decades. Nonetheless, the Administration continues to pursue implementation of its own needless one size fits all federal regulations, with practically no acknowledgement of the work the States have been doing for years in managing energy production while taking into consideration their own unique geography, hydrology, and production issues. This big government one size fits all generic approach to energy regulation will not work, yet this Administration continues to approach energy regulation like all 50 states are exactly the same.

While the Administration and Secretary Jewell claim they will accept existing state rules, in reality, the proposed regulations place the burden nearly entirely on the shoulders of the energy producer to prove to the BLM on a well by well basis, that the State they are operating in has adequate or comparable regulations. The Administration's own reporting said that 99% of the impact of this rule will fall on small businesses and independent

producers who will bear the brunt of these regulations and are less able to absorb the additional regulatory cost and less capable of moving off federal land for their production.

In addition to being burdensome and duplicative, these regulations are unnecessary. State regulations have proven successful in managing hydraulic fracturing on their lands. The BLM claims the regulations are needed to prevent drinking water contamination as a result of energy development. However, multiple studies and witnesses have testified that extensive testing has shown no evidence of water contamination. Repeatedly we have seen the EPA retreat from radical statements on water contamination when the facts come forward including in Pennsylvaina, Wyoming, Ohio and Texas. Time and time again, we have seen these false claims yield to the facts of science. More recently, on Monday DoE's National Energy Technology Laboratory in Pittsburgh released preliminary results showing no evidence that chemical from natural gas drilling operations contaminated drinking water. Additionally witnesses from Utah, Colorado, Ohio, and multiple other states have testified before our Committee that there have been no instances of environmental contamination due to hydraulic fracturing.

The "Protecting States' Rights to Promote American Energy Security Act" will require the BLM to defer to existing State regulations and prohibit the Department from enforcing needless and duplicative federal regulations in states that have existing regulations in place. This will allow domestic energy development to move forward, create and save American jobs, increase federal revenue, and decrease our reliance on foreign imports. I'd like to thank our witnesses for coming before our Committee today and I look forward to hearing your testimony.