

# **Resourceful Information**

NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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# Unrest in Libya Could Spread to Other OPEC Members, Lead to Record Prices at the Pump

Obama Administration Continues Blocking American Energy Production



<sup>\*</sup>Source: Energy Information Administration

Political turmoil in the Middle East, most recently in Egypt and Libya, is putting the United States' already tenuous energy security on more fragile ground. The recent waves of political uprisings in Northern Africa and the Middle East have sparked concern of lost crude oil production, which in turn could cause U.S. gasoline prices to spike.

The Egyptian controlled Suez Canal and Suez pipeline are responsible for the transportation of nearly four million barrels of oil and petroleum products a day. Libya, an OPEC country, holds the largest proven oil reserves in Africa and accounts for five percent of U.S. oil imports. The disruption of Libyan oil production and further Middle Eastern political strife (Saudi Arabia, Iran, etc.) could dramatically influence the price of fuel. Coupled with the Obama Administration's *de facto* moratorium on offshore drilling, American families could see gasoline prices rise above four dollars.

## Americans are bracing for rising gasoline prices as a result of Middle East turmoil

### and the Obama Administration's anti-energy policies:

- If Libyan unrest spreads, gas could reach \$5 (USA Today, 2/22/11)
- <u>Oil prices soar on fears Libyan crisis will spread</u> (AP, 2/22/11)
- <u>Oil Prices Surge AS Libya's Gadhafi Pledges to Hold Firm</u> (WSJ, 2/22/11)
- US Stocks Sink as North Africa Tensions Send Oil Prices Higher (WSJ, 2/22/11)
- European spot gas prices jump as Libya flows dive (Reuters, 2/22/11)
- <u>Oil prices spike in response to Libyan unrest</u> (Deutshe Welle, 2/22/11)
- <u>Middle East tension could mean higher gas prices but how high?</u> (Grand Rapids Press, 2/22/11)
- <u>Cost of Mideast turmoil</u> (Boston Herald, 2/22/11)

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