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

**Opening Statement by**  
**The Honorable Doug Lamborn**  
**Chairman, Subcommittee on Energy and Mineral Resources**  
**At the Oversight Hearing on**

***"America's Onshore Energy Resources: Creating Jobs, Securing America, and Lowering Prices"***

**Thursday, March 14, 2013 at 10 a.m.**

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Today, we are here to discuss the economic benefits and job growth stemming from onshore oil and natural gas development. Many of the witnesses with us today are private business owners who are experiencing firsthand tremendous economic growth as a result of energy production in their regions. We will hear from a Pennsylvania restaurant owner who was able to open new locations and pay his staff 65% over minimum wage as a result of the increase in business, a midstream supplier who has seen his business more than triple since the natural gas boom began in Western Pennsylvania, an Komatsu equipment supplier who was able to nearly double his workforce in three years, and a Vermeer construction equipment supplier who has opened or relocated eight additional locations. And this is just a snapshot of the businesses around the country that have been able to expand due to onshore unconventional oil and natural gas development. Alternately, we will hear from a County Commissioner whose county may lose \$100 million in investment due to hurdles to development put up by the Obama Administration.

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. Many of these companies offer \$20 an hour to start, plus benefits.

A recent IHS Global Insight report shows shale energy development will create nationwide economic and job opportunities and nearly 80% of all job resulting from unconventional oil and natural gas operations are actually indirect jobs rather than direct production jobs. The study estimates in 2012 unconventional oil and natural gas will support more than 1.7 million jobs, growing to 3.5 million American jobs by 2035.

Further, domestic shale oil production is expected to contribute to net oil imports decreasing nearly 50% by 2020.

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. As we saw last week, oil

production in the Gulf of Mexico has fallen under the Obama administration again in 2012, and onshore oil production has fallen for four years in a row.

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, withdrawn issued leases, added unexpected additional lease stipulations following lease sales, given the energy industry no regulatory certainty that they will be able to move forward with any production, all while ensuring lengthy federal permitting backlogs that are hundreds of days longer than similar state permitting timelines. 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. The Obama Administration's actions are counterproductive to energy production and do absolutely nothing to create American jobs and foster economic growth.

While the Administration touts its record of energy production, the reality is that the first three years of the Obama Administration saw the fewest number of new leases sold by BLM since BLM began tracking in 1984.

While the Administration plays politics with our nation's budget proclaiming that since the BLM is operating at 2008 budgetary levels due to sequestration, oil and natural gas development will suffer, considering the Obama Administration issued 44% fewer leases in 2009 and 2010 than in 2007 and 2008, it appears that as the BLM budget has increased, energy production and leasing has drastically decreased.

The economic and energy security of our nation is directly dependent on developing our own domestic resources we are lucky enough to have within our borders. Energy development can provide millions of American jobs, contribute billions of dollars to our economy, lessen our dependence on foreign oil and provide the raw materials to manufacture the countless products Americans depend on every day. Energy development can spur the creation of millions of American jobs in industries as diverse as barbecue, education, and construction. The development of shale oil and natural gas has the potential to lead to what has been called a "renaissance" in U.S. energy and manufacturing. However in order to fully unlock its potential, it is imperative that the government allow our resources to be developed by allowing multiple use of our federal lands.

I'd like to thank our witnesses for taking time out of their schedules to appear before our Committee today and I look forward to hearing your testimony.