

Resourceful Information

NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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Obama Administration Spins U.S. Oil Production Numbers, Takes Credit for Predecessors' Pro-Energy Polices

Obama Administration Actions Decrease U.S. Oil Production

This week, under mounting public pressure as gasoline prices near the \$4 mark, the White House published a <u>blog</u> post touting increased domestic oil production. The Administration was in full SPIN mode, taking credit for actions that were put in place before they took office and ducking forecasts of declining U.S. oil production caused by their own actions that have <u>blocked</u> American energy production.

SPIN: "Oil production last year rose to its highest level since 2003."

RINSE:

- The Obama Administration's actions have caused domestic energy production to decrease.
- In 2007, the U.S. Energy Information Administration (EIA) <u>projected</u> total 2010 U.S. oil production on federal lands to be 850 million barrels. Today's actual production on federal lands is 714 million barrels, a 16 percent decline from what was projected. If it wasn't for the Obama Administration, the U.S. would be producing more energy.
- This is why <u>FUTURE</u> projections show a decline in U.S. production and an increase in imports. On March 8, 2011 the EIA <u>published new projections</u> that show a decline in total U.S. crude oil production of 110,000 barrels per day in 2011 and 130,000 barrels per day in 2012.
- Finally, the White House does not explain that the vast majority of increased production is occurring on <u>private lands</u>, not public. For example, <u>North Dakota</u> alone produced almost 120 million barrels of oil in 2010, compared to just over 20 million in 2003. The majority of North Dakota's production is on private land. This begs the question, why are we not using our federal lands to create American jobs and produce American energy resources to lower prices?

SPIN: "Onshore oil production from public lands has also increased over the last year, from 109 million barrels in 2009 to 114 million barrels in 2010."

RINSE:

- The slight increase in onshore production from federal lands is due to lease sales approved by previous Administrations—not the Obama Administration.
- Since taking office, the Obama Administration has slowed onshore energy development on public lands and issued fewer leases.
- In 2008 there were <u>2,416</u> new oil and natural gas leases issued on Bureau of Land Management (BLM) land spanning <u>2.6 million acres</u>. In 2010, under the Obama Administration, the number of new leases issued dropped to <u>1,308</u> and acres leased dropped to <u>1.3 million</u>.
- The total onshore acreage leased under the Obama Administration in 2009 and 2010 are the lowest in over two decades, stretching back to at least 1984.

SPIN: "From 2008 to 2010, oil production from the Outer Continental Shelf increased more than a third – from 446 million barrels in 2008 to an [sic] more than 600 million barrels of estimated production in 2010."

RINSE:

- Once again, the Obama Administration is attempting to take credit for actions they had nothing to do with. The strong production in the Gulf was due to leases issued in 1996-2000 under the Deepwater Royalty Relief Act – long before President Obama took office.
- The Obama Administration's actions, such as imposing a *de facto* moratorium, are causing energy production to decline in the Gulf of Mexico. EIA shows a 300,000 barrel per day decline in current Gulf production and a projected Gulf <u>decline</u> of over 150 million barrels of oil in 2012.

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House Natural Resources Committee Republican Press Office Contact: <u>Jill Strait</u>, <u>Spencer Pederson</u>, <u>Crystal Feldman</u> 202-226-9019

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