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[PERMALINK](#)

Obama Administration Turns Spin Cycle up to High with Latest “Fact Sheet” on U.S. Energy Production

The White House won't let facts stand in the way when it comes to American energy production as they continue to [piggyback](#) on predecessors' pro-energy policies. Yesterday, the White House turned their SPIN machine to HIGH in their second attempt in as many days ([see White House blog](#)) to deflect mounting public anger over high gasoline prices. Today, the Administration is spinning numbers on U.S. oil and natural gas production with a misleading “[fact sheet](#)” designed to make the public believe their [lengthy history](#) of anti-energy policies have actually spurred energy development.

SPIN: “U.S. oil and natural gas production has increased, while imports of foreign oil have decreased.”

RINSE:

- Since 2008, [U.S. foreign oil imports](#) have decreased by 2 million barrels per day—at the same time, [U.S. consumption](#) has decreased by 2 million barrels per day.
- Imports have decreased, not because of Obama Administration policies, but because demand decreased due to a struggling economy and high unemployment.
- Once again, any increase in onshore or offshore oil and gas development can be attributed to previous Administrations' pro-energy policies. Canceling leases and slow-walking offshore permits, as the Obama Administration has done, does not increase American energy production.
- This is why [EIA's Short Term Energy Outlook](#) shows total [U.S. oil production](#) [DECREASING](#) by nearly 250,000 barrels per day in 2012.

SPIN: “Total U.S. natural gas production in 2010 was 26.9 trillion cubic feet, a 5% increase from 2008 and the highest level in more than 30 years.”

RINSE:

- The vast majority of the 5% increase represents natural gas extracted from [private](#) land, where the Obama Administration has had less of an ability to impede production.
- The Obama Administration is actively trying to impose regulations that would decrease natural gas production. The Environmental Protection Agency has been aggressively trying to stop natural gas production through regulation of hydraulic fracturing - the currently state-regulated drilling technology necessary for U.S.

natural gas production to increase.

- The Department of the Interior has also [announced potential plans](#) to impede natural gas production on federal lands through duplicative hydraulic fracturing regulations.

SPIN: “41 million acres of public lands are under lease for oil and gas development, of which 12 million acres are producing”

RINSE:

- This argument represents a fundamental misunderstanding of the process of oil and gas development on public lands.
- The process of developing a lease – from the sale to actual production – takes time. Approximately one-third of leases are waiting to complete environmental review and obtain permits to drill. The Obama Administration has slowed this process by adding new layers of regulations and hurdles.
- Total acres leased are not an accurate representation of potential energy development as all leases DO NOT contain economically recoverable amounts of oil and gas.
- From 2002-2007, 52% of all exploration wells drilled were dry and 8% of the development wells drilled were dry.

SPIN: “In 2010, the Bureau of Land Management (BLM) held 29 oil and gas lease sales for public lands in the West, offering 1643 parcels covering 3.2 million acres.”

RINSE:

- 29 lease sales may seem high, until it’s compared to 2008 when there were 38 lease sales. Lease sales have DECREASED under the Obama Administration.
- 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: “Since the Deepwater Horizon spill and the implementation of stronger safety standards, BOEMRE has approved 37 shallow water permits in the Gulf of Mexico.”

RINSE:

- As of [February 2011](#), shallow-water permit issuance continues to lag behind the historical average of 7.1 permits per month.
- 37 permits issued since April 2010 represents an average of only 3.7 per month.
- Only one deepwater permit has been issued - over four months after the moratorium was officially lifted. The Administration is being held in contempt for slow-walking permits and is currently trying to appeal a [Federal Judge’s ruling](#) that ordered them to act on stalled deepwater permits.

SPIN: “The Obama Administration is working to increase the responsible and safe production of oil and gas in the United States, and has offered a total of 38 million acres of OCS under active lease of which 6.5 million acres are producing.”

RINSE:

- The reason there is not production activity on 31.5 million acres is because the

Obama Administration has stopped and is failing to issue permits to drill.

- This is blocking expanded American energy production in both the Gulf of Mexico and Alaska.

SPIN: “The Administration is working to increase certainty and reduce costly delays and litigation in the onshore oil and gas leasing process.”

RINSE:

- The Department of the Interior’s proposed “[wild lands](#)” policy to treat designated lands as *de facto* Wilderness Areas will lock-up land from energy development, decrease certainty and increase costly delays for energy developers.
- BLM has admitted to a 206 day average processing time for Applications for Permits to Drill (APD). However the actual time from when a company submits an APD to final approval is close to 2 years in some field offices.

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