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## [Obama's Fuzzy Oil Production Math](#)

**Bush administration actions have led to gains in supply**

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He doesn't want to admit it, but President Obama is taking credit for something George W. Bush did.

The White House is touting federal data that shows domestic oil production is at its highest level since 2003. In a [blog post](#) last week, Obama's top climate and energy aide, Heather Zichal, points to Energy Information Administration data that shows oil production from the Outer Continental Shelf (which basically means the Gulf of Mexico) has increased by more than a third between 2008 and 2010.

EIA Administrator Richard Newell says it takes several years for any major federal policy action -- such as issuing leases -- to affect domestic oil production.

"Even if one has development drilling going on, there is about a one- to three-year lag between drilling and production that one will see," Newell said during a break in a House Natural Resources Committee hearing on Thursday. "If you're on a longer term -- for example, new leases being issued in an area -- you can be on a several-year time frame before you can see a relationship between new leases and production. So there are significant lags."

While Bush was in office from 2001 to 2009, the oil and gas industry saw many new leases and other expanded drilling opportunities. In March 2010, Obama announced plans to expand offshore drilling, but he retreated in the aftermath of the BP oil spill.

According to EIA's short-term 2011 outlook, released last week, oil production was significantly higher in 2009 than in the years prior. Obama may have been in office for most of that year, but the oil production numbers are due to action taken before he became president. In 2010, most if not all of the production increase recorded is likely due to action that predates Obama, since Obama didn't take any major action expanding offshore drilling his first year in office.

"One can attribute an upswing in the Gulf of Mexico over the last several years to increasing leases and developing of deep-water drilling," said Newell, who declined to comment specifically about whether or not those leases were issued under Bush's -- and not Obama's -- watch.

“I haven’t evaluated; one would have to go back and look at specific projects coming on line at different points in time,” Newell said.

EIA’s short-term outlook projects a decrease in domestic oil production in 2011 and 2012. Newell sees a few reasons for that.

A decline corresponding to an upsurge in offshore production over the past few years would be natural, he said: “That’s a natural decline that we would have been forecasting probably regardless of what happened in offshore in terms of the moratorium and regulation, etc.”

The predicted decrease in gulf production is due at least partly to the administration’s actions taken after the BP oil spill -- an unfortunate projection for the White House, as it’s trying to stay on offense in the debate over gas prices going into the 2012 election cycle.

“A portion of that, though, is associated with the [BP] well blowout, moratorium and subsequent regulatory delays,” Newell added.

That projection bolsters the position of Republicans like Rep. **Jeff Landry** of Louisiana and the American Petroleum Institute. Since Zichal’s blog post last week, API and other oil lobbyists have argued that the administration was taking credit for action taken before Obama was in office.

Newell noted that there has not been any actual impact from the moratorium and new regulations.

“We have yet to see a downward impact on offshore production in response to the Macondo well blowout, and the subsequent moratorium and regulatory changes that took place,” Newell said. But given his agency’s outlook, one is expected.

Later on in the hearing, Landry, a member of the House Natural Resources Committee, grilled Newell on his involvement of the administration’s position on EIA’s data.

“Did you send that information to the White House?” Landry asked.

“There is data from that fact sheet that comes from EIA,” Newell acknowledged. “I was not involved in providing that data.”

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