## U.S. HOUSE OF REPRESENTATIVES NATURAL RESOURCES COMMITTEE CHAIRMAN DOC HASTINGS

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## Natural Resources and Agriculture Subcommittees Highlight Need for Increased American Natural Gas Production, Job Creation

**WASHINGTON, D.C.** – The Natural Resources Subcommittee on Energy and Mineral Resources and the Agriculture Subcommittee on Conservation, Energy and Forestry today held a joint oversight hearing on "Challenges facing Domestic Oil and Gas Development: Review of Bureau of Land Management/U.S. Forest Service Ban on Horizontal Drilling on Federal Lands." The panel heard from a number of experts regarding the U.S. Forest Service's proposed ban of horizontal drilling in the George Washington National Forest, as well as the Interior Department's potential regulation of hydraulic fracturing on federal lands. Horizontal drilling provides significant benefits to development by reducing the footprint of oil and gas production and allowing for directional drilling to leave undisturbed areas of environmental concern.

The Marcellus Shale, one of the nation's largest shale gas plays, underlies 50% of the George Washington National Forest. Witnesses testified about the safety of hydraulic fracturing when paired with horizontal drilling and the job creation associated with natural gas production on our public lands.

"This plan as proposed by the Administration would essentially close the entire Forest to a safe and efficient means of energy development, eliminate a key priority in the multiple use mission of forest service lands, and further erode our efforts to generate domestic energy security," said Energy and Minerals Subcommittee Chairman Doug Lamborn (CO-05). "The Forest Service as a custodian of our lands has an obligation to work with a multiple use mission, to serve the people of Virginia and the United States by promoting the conservation of our resources, which undeniably includes the development of appropriate oil and gas resources on Forest Lands."

"Through effective management practices, we have successfully produced these resources for decades, while protecting our environment. Knowing of our need for affordable and reliable energy, I am extremely concerned about the Forest Service's proposal to ban horizontal drilling and hydraulic fracturing in the George Washington National Forest," said Subcommittee on Conservation, Energy and Forestry Chairman Glenn 'GT'

Thompson. "Not only does this proposal undermine the Forest Service's mission of multipleuse, it comes at a time when we are becoming more dependent on foreign sources and as the Federal government continues to stymie development of our own natural resources."

Maureen Matsen, Deputy Director of Natural Resources and Senior Advisor on

Energy for the Commonwealth of Virginia reminded the panel that Virginia's "natural gas production has meant more than \$2 billion in capital investment, \$360 million in royalties, \$150 million in severance taxes paid...and more than 3000 jobs." She went on to note that while "there have been no documented instances of surface water or groundwater degradation from facing in Virginia," the proposed Forest Service ban would "harm Virginia, and Virginians by burdening businesses and preventing job growth" and "undermine the nation's energy security by placing domestic resources out of reach at a time when the global competition for energy resources is rapidly increasing."

Adding to the chorus of critics to the Forest Service's proposed ban was **Pennsylvania General Energy's General Counsel, Craig L. Mayer** who <u>testified</u> about a 2009 Settlement Agreement between the Forest Service and the Sierra Club that would have blocked 513,000 acres in the Allegheny National Forest. The Settlement was later overturned by a judge but Mayer said, "if it remained in force, it would have had an irrevocable, profound, massive, and devastating adverse impact on oil and gas production activity in the ANF and upon the economy, communities, and people of the surrounding region dependent on this development activity."

**Lee Fuller, Vice President of Government Relations with the Independent Petroleum Association of America** commented on the proven safety of hydraulic fracturing noting, "with about one million operating oil and natural gas wells in the United States, tens of thousands being drilled annually and only a small number of problem incidents, it is clear that the process is sound and effective."

**David Miller, Standards Director of the American Petroleum Institute** reminded the panel that "the great majority of hydraulic fracturing activities take place at depths far below existing groundwater sources that could reasonable be considered underground sources of drinking water."

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