



Committee on Natural Resources U.S. House of Representatives

Chairman Doc Hastings

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Witnesses Agree on the Need to Expand Helium Production on Federal Lands

WASHINGTON, D.C. – Today, the House Natural Resources Subcommittee on Energy and Mineral Resources held an [oversight hearing](#) on “*America’s Helium Supply: Options for Producing more Helium from Federal Lands.*” The hearing focused on the increased demand for helium, the future of U.S. helium supplies after the Federal Helium Reserve is depleted, and existing and potential production of helium from federal lands.

Today’s hearing continues the Committee’s efforts to ensure a stable supply of helium for the future. On April 26, 2013, the [House of Representatives passed H.R. 527](#), the *Responsible Helium Administration and Stewardship Act* with a near-unanimous vote of 394-1. This bill is a common sense plan to sell helium from the Federal Helium Reserve (which is scheduled to abruptly close this year and cut the global helium supply in half) in a responsible manner to prevent a global shortage, protect jobs and the economy, and ensure a fairer return for taxpayers. At the hearing Members and witnesses focused on the next steps and the need to increase domestic production of helium which is used for life-saving MRI machines, computer chips, fiber optic cables, and national defense devices.

“Recognizing the need and opportunity, natural gas producers are increasingly beginning to extract helium from natural gas. Further, helium producers are looking at federal lands as a source of crude helium to fill the void that will be left when the helium in the Federal Reserve has been depleted and the Reserve closes. And recently, the nation’s first exploratory well devoted solely to the extraction of helium was approved by a Secretarial waiver,” [said Subcommittee Chairman Doug Lamborn \(CO-05\)](#). “With the impending closure of the Reserve, we must look towards securing this nation’s future helium supply. The United States has the potential for abundant crude helium production and we must harness that potential to diversify our nation’s helium supply and ensure regulatory certainty for companies seeking to tap into this emerging industry.”

“Steps must be taken to continue to ensure a stable supply of helium. The Reserve will eventually close and we need to be prepared for that day. The federal government has been selling helium below market value, which up until now has undercut the private development of alternative sources. That must change and we must start looking towards the future,” [said Natural Resources Committee Doc Hastings](#). “Just like we are trying to lower our dependence on foreign oil and rare earth minerals, we need to also ensure that we are not

becoming dependent on foreign sources of helium. The only way to prevent that from happening is by increasing production of helium resources here at home.”

Witnesses, including the Obama Administration’s Bureau of Land Management, spoke in support of the need to expand helium production on America’s federal lands to make sure that America isn’t dependent on foreign sources of this resource.

Timothy Spisak, Deputy Assistant Director, Minerals and Realty Management, at the Department of the Interior’s Bureau of Land Management, recognized the need that America needs to expand its domestic sources of helium saying, *“Since production of crude helium from the Reserve is currently in decline, other domestic supplies will be needed to meet the future U.S. demand without having to import helium.”* Spisak went on to say that BLM will continue *“working with natural gas producers to efficiently extract helium from natural gas.”*

Wheeler M. “Bo” Sears, JR, President of Weil Helium, LLC, highlighted the urgency of bringing new sources of helium online asking the federal government for help in this effort. *“I will assert here that in order to bring new domestic supplies online from Federal Lands, the Federal time frame from start to finish needs to be reduced significantly.”* Sears added, *“We need your help for an aggressive streamlining of processes to encourage risk capital into the helium discovery world. We are most appreciative of this body’s helium legislation that allows for the market forces to impact markets sooner rather than later. Let the markets work to provide the investment dollars needed to pursue future projects and they will do just that.”*

Scott Gutberlet, Vice President of Commercial and Technical Services for QEP Resources, Inc., underscored the importance of utilizing America’s federal lands to produce more helium. *“Rather than relying on imported helium from unstable and high-priced international sources, we should look to continue to develop our helium resources here in the U.S. The U.S. has significant remaining helium potential, much of which is on the federal mineral estate. Helium production from federal lands has the added benefit of requiring the operator of helium producing wells to pay a fee to the federal government to extract and sell helium. Helium production and the resulting federal government revenues can grow together with the right price signals and a smart regulatory structure in place, especially for projects located on federal lands.”*

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