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U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

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Opening Statement of
Chairman Doug Lamborn
Subcommittee on Energy and Mineral Resources
Oversight Hearing on "America's Helium Supply: Options for Producing more Helium from
Federal Lands" On Thursday, July 11, 2013 at 10:00 a.m.
1334 Longworth House Office Building

I'd like to thank everyone for attending today's hearing. The Subcommittee is meeting to discuss the existing U.S. demand for helium, the future of domestic helium production after the closure of the Federal Helium Reserve, and existing and potential production of helium from federal lands.

Helium is essential to many industries that are vital to the United States. It is an essential element in the defense, welding, medical, semiconductor, and nuclear industries.

Over the past year, this Subcommittee has focused on ensuring U.S. industries have access to a reliable supply of helium by providing for the continued operation of the Federal Helium Reserve past its upcoming closure in October. In May, the House overwhelmingly passed the bipartisan "Responsible Helium Administration and Stewardship Act" which would complete the privatization of the Federal Reserve by injecting free market reforms into the current program to ensure taxpayers receive a fair value for this federal resource, provide for stability in the helium market and protect American jobs and innovation.

While the continued operation of the Helium Reserve in order to prevent an immediate global helium shortage remains a priority for this Committee, we must recognize the closing of the Federal Reserve is imminent. With the Reserve currently providing nearly half of the domestic helium supply and 30% of the global supply of helium, the closure of the Reserve will leave a major gap in the domestic and global helium supply that must be filled by private industry.

Unfortunately, domestically the private helium industry has been slow to develop as the US Reserve has dumped cheap helium onto the market. This has delayed new significant sources of domestic helium from coming online, meanwhile countries like Algeria, Qatar, and Russia have growing helium industries. This could leave Americans increasingly dependent on foreign sources of helium to provide a critical element of their business when they could instead be getting helium produced by US workers right here at home.

Fortunately, 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.

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. I'd like to thank our witnesses for being here to testify before our Subcommittee and I look forward to hearing your testimony.