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

Opening Statement of

The Honorable Doug Lamborn

Chairman, Subcommittee on Energy and Mineral Resources

Oversight Field Hearing on “Natural Gas—America’s New Energy Opportunity: Creating Jobs, Energy and Community Growth”

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Thank you everyone for being here today. I’m Congressman Doug Lamborn and I represent the 5th Congressional district of Colorado and also serve as Chairman of the House Natural Resources Subcommittee on Energy and Mineral Resources. Our subcommittee has broad jurisdiction over onshore and offshore energy production on public lands and we work to ensure the expansion of energy production in this country to create job opportunities for hundreds of thousands of Americans, increase our energy security, and decrease our reliance on foreign oil.

Today we are here in Stubenville, Ohio to discuss one of the most secure sources of energy and technology our country has to offer – natural gas production. The natural gas industry has the potential to bring in billions of dollars of federal revenue, create good-paying jobs for thousands of Americans and most importantly greatly contribute to the economies of the towns and cities that benefit from this development.

The United States is blessed with some of the richest and largest natural gas shale fields in the world. The Marcellus Shale, Barnett Shale and Bakken Formation are all previously unproductive areas that are now extraordinarily new productive gas and oil fields because of hydraulic fracturing – a process that is now used in more than 90% of oil and gas production wells. Hydraulic fracturing technology is enable the development of unconventional domestic oil and gas resources, such as the Bakken Formation in North Dakota and Montana, which is thought to hold 4 billion barrels of oil – second only to Alaska, and has kept North Dakota’s unemployment rate the lowest in the nation. By encouraging policies that provide regulatory certainty for the energy industry and foster the development of natural gas, there is the potential for all communities to enjoy these same benefits from energy production.

While these technological advances in horizontal drilling have helped spawn the economic development of shale oil, it has primarily benefited and revolutionized domestic natural gas production by delivering vast amounts of cheap natural gas from U.S. underground shale-rock formations. Shale gas production is one of the most rapidly expanding trends in onshore domestic oil and gas exploration and production today. In some areas, this has included bringing

exploration, production and energy to regions of the country that have seen little or no activity in the past. In 2000, shale gas provided 1% of our nation's gas supplies; today it is 25%. Half of the natural gas consumed today is produced from wells drilled within the last 3.5 years.

This technological advancement and increased production has allowed once struggling businesses to expand into extremely successful business ventures within just a few short years. It has created job opportunities for unemployed Americans and contributed to the coffers of many small communities.

While the Administration frequently touts its record of increased energy production and its support for increased natural gas production, their actions prove otherwise. In November the Administration removed over 3,000 acres of the Wayne National Forest from the leasing process pending a study on hydraulic fracturing. This will simply serve to further delay the creation of American jobs and energy production. This action follows a proposal last year by the Forest Service to ban the practice of horizontal drilling. When questioned about a proposed ban on horizontal drilling BLM Director Bob Abbey, "I note for the record that the BLM has no ban on directional drilling and, as a matter of policy, the Bureau generally encourages its use where appropriate to protect sensitive surface resources."

Additionally, the Department of the Interior announced plans to release federal fracking regulations for energy production on federal lands in the near future.

Currently, states are responsible for regulating oil and natural gas development stemming from the use of hydraulic fracturing. These state regulations have proven successful in overseeing hydraulic fracturing and the industry has flourished under this regime.

These BLM regulations go significantly above and beyond any state regulations to date and the proposed regulations would likely severely inhibit natural gas production on federal lands and greatly dissuade companies from pursuing production on those lands.

I look forward to our witnesses thoughts on how we can successfully expand natural gas production and the benefits a robust energy industry can bring to local communities while protecting the important multiple use mission of our federal lands.

Finally, I want to thank Mr. Johnson for hosting us here in his home district and our colleague from Pennsylvania Mr. Thompson for being here. I regret that none of our Democrat colleagues on the Committee considered this matter important enough for them to join us at this hearing.

I want to thank our witnesses and guests for taking time out of your schedules to be with us today and look forward to hearing from our panels.