



May 2, 2025

The Honorable Bruce Westerman
Chairman, Committee on Natural Resources
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Westerman,

The US Oil & Gas Association is happy to endorse the reconciliation provisions outlined in the House Committee on Natural Resources' Committee Print for H. Con. Res. 14. These forward-thinking measures will unleash American energy dominance, combat energy poverty, and reforge a once dynamic partnership between the oil and gas industry and the federal government. By leveraging the immense potential of our nation's natural resources, these provisions will deliver affordable, reliable energy, generate high-paying jobs, and bolster national energy security for generations to come.

The following highlights illustrate why these provisions are transformative for consumers, communities, and the energy sector:

- **Accessing Abundant Reserves:** Federal lands and waters contain upwards of 40% of U.S. oil reserves and 30% of natural gas reserves, representing billions of barrels of oil and trillions of cubic feet of gas. Unfortunately – the prior Administration took almost all of these lands off the table and out of the reserves – placing increased pressure on state and local lands to fill in the gap. These provisions correct that imbalance
 - By reinstating quarterly onshore oil and gas lease sales, mandating at least 30 offshore lease sales in the Gulf of Mexico and six in Alaska's Cook Inlet, and incentivizing development in Alaska's Coastal Plain and National Petroleum Reserve, these provisions unlock vast resources previously constrained by restrictive policies. This ensures a long-term, stable energy supply to meet domestic and global demand.
- **Reducing Energy Costs for Consumers:** By significantly increasing domestic energy production, these measures will reduce reliance on volatile foreign energy markets, stabilize fuel prices, and lower the cost of essentials like heating, cooling, and transportation. Energy poverty, which burdens millions of low-income households, will be alleviated as affordable energy becomes more accessible, empowering families to thrive without the strain of high utility bills.
- **Fueling Economic Prosperity:** The Congressional Budget Office projects that these oil and gas provisions will generate up to \$17.7 billion in new revenue and savings over the next decade. This influx will fund critical public services, infrastructure, and community

development while creating thousands of well-paying jobs in energy-producing regions. The ripple effect will stimulate local economies, from small businesses to supply chain industries, fostering widespread prosperity.

- We should also mention that these provisions will continue to fund recreation and conservation efforts through the LWCF and GAOA programs for years to come.
- **Enhancing Industry Efficiency:** Streamlined permitting processes, including a permit-by-rule system, noncompetitive leasing options, and approvals for production commingling, will reduce bureaucratic delays and encourage private investment. Reduced royalty rates—restored to 12.5% for both onshore and offshore production—will further incentivize innovation and operational efficiency, allowing producers to maximize resource recovery while adhering to rigorous environmental standards.
- **Strengthening Strategic Energy Security:** By prioritizing development in key regions like Alaska and reinstating leases in Minnesota’s Superior National Forest, these provisions reduce U.S. dependence on adversarial nations for energy and critical minerals. This strategic focus enhances national security and positions the U.S. as a global leader in energy and resource production, countering the influence of foreign suppliers.
- **Promoting Sustainable Resource Management:** These provisions balance economic growth with environmental responsibility. Science-based policies ensure that energy development on federal lands and waters meets stringent safety and environmental standards. Complementary measures, such as annual geothermal lease sales and long-term timber contracts, diversify our energy portfolio and promote sustainable land management, ensuring resources are preserved for future generations.

The US Oil & Gas Association is eager to reengage with the federal agencies to implement these provisions. They reflect a commitment to affordability, innovation, and sustainability, empowering consumers and reinforcing America’s role as a global energy powerhouse. We stand ready to work with Congress and the Administration to bring this vision to fruition, delivering tangible benefits to every American. Thank you for your efforts!

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Stewart". The signature is fluid and stylized, with the first name "Tim" and last name "Stewart" clearly distinguishable.

Tim Stewart, President
US Oil & Gas Association