

May 5, 2025

The Honorable Bruce Westerman  
Chair  
House Committee on Natural Resources  
2322 Rayburn House Office Building  
Washington, DC 20515

The Honorable Jared Huffman  
Ranking Member  
House Committee on Natural Resources  
1203 Longworth House Office Building  
Washington, DC 20515

Dear Chairman Westerman & Ranking Member Huffman:

The American Petroleum Institute (API) is pleased to support the House Natural Resources Committee's initial proposal for the 2025 reconciliation bill.

API is committed to meeting the challenge of providing affordable and reliable energy. As the leading trade association representing the entire value chain of the U.S. oil and natural gas industry, API supports policies that strengthen our nation's energy security and our economy while protecting our environment. Federal lands and waters provide nearly 27% of the oil and 11% of the natural gas we produce in the United States. A robust federal leasing program is essential to maintaining our nation's energy security and providing critical conservation funding throughout the country.

Congress has a once-in-a-generation opportunity to help restore American energy leadership, and the House Natural Resources Committee has seized the moment. From lease sales to expedited permitting processes, the committee's proposal creates an unprecedented pathway for developing our vast natural resources on federal lands and waters for generations to come. This is what American energy dominance looks like. We urge the House to include these historic provisions in its final package and we offer our full support in these efforts.

Notably, we are particularly supportive of the following provisions:

*Onshore oil and natural gas:*

- Requiring quarterly onshore oil and gas lease sales, drawing on provisions of the Lower Energy Costs Act
- Application for Permit to Drill (APD) by Rule that expedites drilling requests on public lands and waters
- Extending APD terms from 2 years to 4 years
- Repealing the Inflation Reduction Act's increases to the royalty rates for oil and gas leases on federal lands and lowering the rates from 16.67% to 12.5% for onshore leases on federal lands
- Noncompetitive lease language that restores the ability of the Bureau of Land Management to carry out noncompetitive leasing for parcels that receive no bids during competitive auctions
- Requiring regular lease sales in NPR-A

*Offshore oil and natural gas:*

- Requiring biannual offshore leases in the Gulf of America for the next 15 years
- Requiring 6 lease sales in Alaska Cook Inlet over the next 10 years

- Establishing GOMESA-like offshore oil and gas royalty sharing for Alaska
- Lowering the offshore royalty rate from 18.75% (as established by rule) to 12.5%, with cap at 18.75%
- Promoting offshore commingling approvals

Additionally, reforms to our permitting processes are critical to help move energy from where it is produced in the U.S. to where it is needed. This legislation will help streamline these processes to fortify America's energy advantage.

As the push for energy legislation and permitting reform progresses in Congress, API stands ready to support policies that strengthen America's energy security and promote economic development and environmental stewardship.

We look forward to continuing to work with Members of the Committee and their colleagues in the House and Senate to support legislation that will restore America's energy leadership.

Sincerely,



Amanda E. Eversole