



May 6, 2025

The Honorable Bruce Westerman and Honorable Rob Wittman  
United States House of Representatives  
Washington, DC 20510/20515

**Re: Legislative proposals complying with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res.14.**

Dear Chairman Westerman and Vice Chairman Wittman:

The Permian Basin Petroleum Association (PBPA) appreciates the opportunity to submit this letter in strong support of the proposals to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025. As the largest regional oil and gas association in the United States, the PBPA has served as the voice of the Permian Basin's oil and gas industry since 1961. Our mission is to promote the safe, responsible development of oil and natural gas resources while providing legislative, regulatory, and educational support on behalf of the petroleum sector of West Texas and Southeastern New Mexico.

Our diverse membership ranges from small, independent exploration and service companies to some of the world's largest energy producers. The Permian Basin is not only the largest inland oil and gas reservoir in the United States but also the most prolific producing region in the world.

In line with our mission, PBPA members strongly support efforts to empower American energy production. U.S. energy independence is more than a policy objective—it is a critical pillar of national security and economic resilience. Our members are committed to expanding domestic energy development in alignment with national priorities for energy dominance.

Currently, the Permian Basin accounts for nearly half of all U.S. oil production and approximately one-quarter of natural gas production. This output stems from operations on private, state, and federal lands, with development on federal lands requiring compliance with Department of the Interior (Interior) regulations—particularly those enforced by the Bureau of Land Management (BLM). Modern development techniques often necessitate coordinated permitting across land ownership types, making federal authorizations essential even for state and private operations. Our members work diligently to responsibly and prudently develop these natural resources under some of the most rigorous environmental and safety standards globally.

PBPA offers this letter in strong support of the legislative provisions put forth to comply with the current reconciliation directive. These measures would strengthen U.S. energy security while delivering significant federal revenue through common-sense reforms to federal leasing and permitting processes. Although Interior already has the discretion to implement many of these changes, it has, in recent years, exercised that discretion in ways that have hindered domestic energy production—posing risks to energy security and forfeiting valuable revenue that could contribute to deficit reduction.

Importantly, the legislation also addresses policy reforms that would prevent future agencies from discouraging investment in federal lands through discretionary overreach. By restoring necessary flexibility in the leasing process, the legislation would help reestablish the competitiveness of federal lands relative to state and private alternatives. At the same time, restored flexibility in leasing facilitates the development of state

and private lands on which such development is limited, if not prevented, because of inability to timely conduct operations across multiple land ownership types.

Historical data highlights the fiscal potential of robust lease sales. In 2018, regular quarterly lease sales generated \$1.15 billion for the federal government—almost eight times the \$150 million collected in 2014, a year marked by restricted lease offerings. By clearly defining BLM's obligations and establishing predictable lease sale timelines, the proposed legislation would support consistent revenue generation and provide much-needed certainty for energy producers.

The legislation's inclusion of permit-by-rule provisions is another key reform. Current permitting processes average 305 days, with some BLM offices taking nearly two years to issue approvals. This legislation would streamline permitting while maintaining environmental protections, allowing qualified companies to proceed after certifying compliance with established criteria—a system that has already proven effective at both the U.S. Environmental Protection Agency and state level.

Furthermore, the proposed reforms to federal permitting on non-federal lands, along with updates to commingling regulations, would reduce unnecessary bureaucratic barriers. Advancements in measurement technology make it possible to track production accurately without overly restrictive requirements. States such as New Mexico, the source of one-third of the Permian Basin's production, have already demonstrated the success of such approaches, which promote faster development and investment while ensuring fair returns to taxpayers.

The reforms included in the legislation and discussed in this letter collectively aim to maximize federal revenue, enhance energy security, and support economic growth through increased domestic production. PBPA strongly urges your support for these provisions. They represent a thoughtful, balanced approach that serves the interests of American taxpayers, energy producers, and the broader national interest.

Regards,



Ben Shepperd  
President  
Permian Basin Petroleum Association