

On Access

America needs a balanced, fact-based energy policy that promotes energy efficiency and conservation and greater supplies of all forms of energy, including domestic oil and natural gas.

- Oil and natural gas, especially resources located on federal lands and offshore in federal waters, are vital to our energy and economic future.
 - Federal lands hold an estimated 650.9 trillion cubic feet of recoverable natural gas, enough to meet the natural gas needs of 60 million households for 160 years (60 million households in the United States are fueled by natural gas). They also hold an estimated 116.4 billion barrels of recoverable oil, enough to produce gasoline for more than 60 million cars *and* fuel oil for 3.2 million households for 60 years.
 - Billions of barrels of oil and trillions of cubic feet of natural gas resources on public lands are either restricted by administrative controls, or prohibited altogether, according to a 2008 BLM study. Only 36 percent of federal onshore lands available to leasing is open to energy development under standard lease terms. These lands contain only 7.5 percent of undiscovered oil resources and 10.2 percent of the undiscovered natural gas resources that may be found under federal onshore lands, the BLM study found.
 - While the decades-old moratoria banning leasing on 75 percent of the Outer Continental Shelf (OCS) off the lower 48 states were lifted October 1, 2008, Congress has threatened to re-impose the ban or place arbitrary limits on offshore leasing. The offshore areas that had been subject to the OCS moratoria contain an estimated 14.3 billion barrels of oil and 55 trillion cubic feet of natural gas, according to the U.S. Minerals Management Service. Most of the Eastern Gulf of Mexico remains under moratoria, keeping an estimated 3.7 billion barrels of oil and 21.5 trillion cubic feet of natural gas off limits.
- The industry has proven it can safely develop oil and natural gas resources in all areas, including federal lands. With new technologies, the industry has and will continue to reduce the environmental footprint of exploration and production by drilling fewer wells to access greater amounts of production.
- Production of oil and natural gas on federal lands has brought billions of dollars of revenue into federal and state treasuries. Expanding leasing to additional non-park federal lands and in more federal waters could put trillions of additional dollars into federal and state budgets.
 - A recent study indicated development of the resources on federal offshore areas and onshore lands that had been off-limits for decades could generate \$1.7 trillion in revenues for federal, state and local governments.
 - Oil and natural gas leasing and development on federal lands and in OCS waters have generated in excess of \$200 billion since 1953 through bonus bids, royalties and lease rental payments. The U.S. government collected and distributed a record \$23.4 billion to state, American Indian and federal accounts

- from onshore and offshore energy production in 2008 – double the previous year's revenues.
- Revenues from oil and natural gas activities represent a significant revenue source to the federal government.
 - Revenues from such development go to both the federal government and to states to help pay for vital programs.
 - Beginning with fiscal year 2007, states in the Gulf of Mexico region receive additional revenues from oil and natural gas operations in federal waters off their coasts. The Gulf of Mexico Energy Security Act of 2006 authorizes sharing of 37.5 percent of all revenue collected by the MMS, from all Gulf leases issued – including bonus bids, rentals and production royalties – between Alabama, Louisiana, Mississippi and Texas. The first lease sale under this provision netted over \$24 million in immediate revenue for the four states.
 - Increased federal leasing could add high-paying jobs to America's employment rolls.
 - The oil and natural gas exploration and production industry in 2006 directly employed nearly 386,000 workers nationwide. (The entire oil and natural gas industry employed 1.8 million workers).
 - Oil and gas exploration and production wages in 2006 were more than double the national average.
 - A recent study found that 160,000 jobs could be created in 2030 by allowing development of previously off-limits offshore waters and additional onshore lands.

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Sources:

MMS, "Oil and Gas Resources in the OCS Areas Unavailable for Leasing and Development." May 2007.

BLM, "Inventory of Onshore Federal Oil and Natural Gas Resources and Restrictions to Their Development." June 2008.

MMS, Minerals Revenue Management, various tables.

MMS, "MMS Incorporates Revenue Sharing Rules." May 27, 2008.

US Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

Employment given is total jobs in four sectors comprising the upstream oil and gas industry (oil and gas extraction, NGL extraction, drilling oil and gas wells, and support activity for oil and gas extraction)

US Department of Labor, Bureau of Labor Statistics, Quarterly Census of Employment and Wages.

ICF International, "Strengthening Our Economy: The Untapped U.S. Oil and Gas Resources." December 5, 2008.