

**An Illustration of the Need to  
Consolidate Energy Jurisdiction  
into a  
House Energy and Natural Resources Committee**

December 3, 2010

# Regulation of Hydraulic Fracturing on Federal Lands

Page one

Wednesday, December 1, 2010

- Natural Resources Committee Ranking Republican Doc Hastings took action on Interior Secretary Salazar's proposal to potentially impose new regulations on hydraulic fracturing on federal lands.
  - Sent letter to Secretary Salazar calling on him to testify to the Committee before unilaterally imposing the policy.
  - Sent release highlighting disconnect with President's statement on potential for bipartisan agreement on natural gas production with his Administration's actions.
- Natural Resources Committee has jurisdiction over the Department of Interior, all natural gas production on federal lands, and the regulation of hydraulic fracturing on federal lands.

The Honorable Doc Hastings  
Ranking Republican Member

U.S. House of Representatives  
Committee on Natural Resources  
Washington, DC 20515  
December 1, 2010

The Honorable Ken Salazar  
Secretary  
Department of the Interior  
1849 C Street, NW  
Washington, DC 20240

Dear Mr. Secretary:

The comments made yesterday by yourself and Presidential Advisor Carol Browner at the Departmental forum on hydraulic fracturing are deeply concerning. The distinct implication is that the Administration has already decided to move forward with a plan to increase permitting requirements on federal land with a policy that would threaten thousands of jobs, depress the federal deficit through reduced revenues, and harm natural gas development and our nation's energy security.

Before this dramatic proposed policy change advances further, it is requested that you respectfully allow Congress an opportunity to fully examine the issue, the impact to jobs and communities, and to consult relevant experts, including federal agencies, state regulators, federal land leaseholders, operators and contractors.

Additionally, it is requested that before taking action to unilaterally implement this policy as Secretary, that you appear before the House Natural Resources Committee in the 112<sup>th</sup> Congress to provide testimony and answer questions from Committee members. It is important for the Department to carefully consult and consider guidance from the House Natural Resources Committee on policies that will impact technological innovation and competitiveness on federal lands. The concept of transparency for fracturing is already in place at the state level and through numerous federal statutes, including OSHA requirements dealing with Material Safety Data Sheets (MSDS) for first responders, as just one example.

The Department's consideration of requiring duplicative and burdensome disclosures – above and beyond the significant efforts already taken at the state level – raises the very real possibility of a further eroding of federal land communities and the jobs of tens of thousands of Americans that are dependent on the responsible development of those lands.

Following the November election, President Obama personally identified natural gas development as an area where he believes bipartisan cooperation is possible, and it is in this spirit that I ask you to consider these requests.

Sincerely,



Doc Hastings  
Ranking Republican Member

<http://gpo.house.gov>



December 1, 2010

## If President Obama Supports Bipartisan Efforts to Increase Natural Gas Production, Why is His Administration Making it More Difficult?

On November 3, 2010, the day after the election, President Obama woke up to the stark reality that he would have to work with Republicans in Congress. During a press conference, the President identified natural gas as an issue where Republicans and Democrats could come together in a bipartisan way:

*"Let's find those areas where we can agree... We've got. I think broad agreement that we've got terrific natural gas resources in this country. Are we doing everything we can to develop those?"*

**But if the President is sincere in his offer to work with Republicans to increase development of our nation's vast natural gas resources, then why is his Cabinet announcing potential new regulations to keep it under lock and key?**

Yesterday, Secretary of the Interior Ken Salazar announced that he was considering a new proposal to regulate hydraulic fracturing on public lands – a technique responsible for tremendous growth in natural gas production. As [reported by the Associated Press](#):

*"The Obama administration may require companies drilling for natural gas on public lands to disclose the chemicals being used in a technique called hydraulic fracturing."*

Hydraulic fracturing is a long-standing practice that has been effectively regulated by the states for over 60 years. This proposed new requirement would be taken unilaterally by the Administration and would demand companies provide something they often don't own the rights to hand over to the government\*, rendering them out of compliance with Interior Department regulations, thereby blocking their ability to procure drilling permits or worse forcing them to rely on less than best available technology. The effect would be to drive energy production out of America's lands and threaten the jobs of thousands of Americans.

**This Interior Department proposal, along with Environmental Protection Agency's investigation into the chemicals used, are far from a bipartisan olive branch on natural gas and pose a serious threat to American jobs and American-made energy.**

\*Drilling companies do not have the authority to disclose hydraulic fracturing fluid because it is often proprietary property of a subcontractor. Those subcontractors often work closely with state regulators to ensure that the information is disclosed



## Likely Incoming Chairman Hastings Calls on Salazar to Testify on 'Fracking'

12/1/2010  
CQ Today  
Geoff Koss

In a sign of things to come in the next Congress, the likely incoming GOP chairman of the House Natural Resources Committee wants Interior Secretary Ken Salazar to testify before the panel about suggestions the department is weighing on new disclosure requirements for natural gas production on public lands.

Rep. Doc Hastings of Washington, the top Republican on the Natural Resources panel, urged Salazar not to proceed with new disclosure requirements for companies using a natural gas extraction process known as hydraulic fracturing on public lands until he appeared before lawmakers.

"Before this dramatic proposed policy change advances further, it is requested that you respectfully allow Congress an opportunity to fully examine the issue, the impact to jobs and communities, and to consult relevant experts, including federal agencies, state regulators, federal land leaseholders, operators and contractors," Hastings wrote to Salazar on Wednesday.

The letter follows comments by Salazar earlier this week at an Interior-sponsored forum in which he signaled that the federal government is considering requiring producers to disclose the chemicals they use when "fracking" for natural gas.

Environmentalists blame the process, which involves injecting a mixture of water, sand and chemicals underground to release natural gas in rock formations, for contaminating drinking water supplies. They have long pressed for disclosure of the chemicals used in the process.

Industry maintains the practice is safe and has resisted efforts to disclose the chemicals they inject underground, information they view as proprietary.

"As the nation's largest land manager, the Department of the Interior has a responsibility to ensure that natural gas is developed in a safe and environmentally sustainable manner and protects the other valuable resources on those lands, including preventing harm to the air, water and species that call those lands home," Salazar said Tuesday, according to the Associated Press.

With his remarks, Salazar steered his department into a simmering policy debate that has pitted the industry and its congressional allies against the EPA and House Democrats, some of whom are pressing for regulation of hydraulic fracturing under the Safe Drinking Water Act (PL 103-223).

The practice is currently exempt from federal regulation under the safe drinking water law by 2005 energy legislation (PL 109-50).

The issue has been elevated in recent months by development of the massive Marcellus Shale natural gas formation that underlies parts of Pennsylvania, West Virginia, New York and Ohio.

The Pittsburgh City Court last month banned the practice within city limits and the New York legislature this week approved legislation to temporarily stop fracking until state regulators issue new safety guidelines.

# Regulation of Hydraulic Fracturing on Federal Lands

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## Two Days Later....

- Energy & Commerce Committee sends press release on questions they've posed to Interior Secretary Salazar on potential hydraulic fracturing regulations on federal lands.
- Energy & Commerce Committee does not have direct jurisdiction over the Department of Interior, natural gas production on federal lands, or the regulation of hydraulic fracturing on federal lands. Energy & Commerce Committee currently possesses jurisdiction over "National energy policy generally" under existing House rules.
- The Hill reported (12/3):  
*"Top House Energy and Commerce Committee Republicans are pressuring the Interior Department to explain possible new rules for natural –gas drilling on public lands, a move that could herald jurisdictional battles with the Natural Resources Committee next year... Their letter comes just days after Rep. Doc Hastings (R-Wash.), the presumptive chairman of the Natural Resources Committee next Congress, sent his own letter to Salazar asking him to explain Interior's plans before the committee next year."*

House Energy and Commerce Committee  
**Republicans**

U.S. Rep. Joe Barton, R-Texas  
Ranking Member  
<http://irepublicans.energycommerce.house.gov>

**FOR IMMEDIATE RELEASE**  
Friday, Dec. 3, 2010

**CONTACT: Press office**  
(202) 225-3641

## **Barton, Upton Press Salazar On Hydraulic Fracturing Regulations**

WASHINGTON – U.S. Reps. Joe Barton, R-Texas, ranking member of the Energy and Commerce Committee, and Fred Upton, R-Mich., ranking member of the Energy and Environment Subcommittee, today asked Department of Interior Secretary Ken Salazar asking for information related the agency's plans for new regulations on hydraulic fracturing.

"Safe drilling practices are of critical importance. Because hydraulic fracturing is already a regulated practice, however, we believe it is essential that DOI focus on understanding the universe of existing federal and state regulations of hydraulic fracturing, water quality for underground sources of drinking water, emergency planning and reporting, and waste disposal requirements, and the expertise already being brought to bear on these activities before placing additional regulatory requirements on natural gas exploration and production," Barton and Upton wrote. "We fear a rush to regulate by DOI and the administration will chill domestic oil and gas development and would negatively impact our efforts to increase energy security and to provide for a reliable and affordable energy supply."

The lawmakers asked Salazar to respond by Dec. 17 to the following questions:

1. At the November 30 forum, you referenced an intention to develop new DOI regulatory policies regarding hydraulic fracturing on public lands.
  - a. Does DOI intend to develop a rulemaking package on hydraulic fracturing on public lands? If yes, please provide a detailed schedule for any such planned activities.
  - b. Does DOI intend to develop new permit conditions relating to hydraulic fracturing? If yes, please provide a detailed schedule for any such planned activities.
  - c. What scientific information or data does DOI intend to rely upon to form the bases for such activities or regulatory actions?
  - d. What opportunities for public notice and comment, stakeholder input, and administrative hearings does DOI intend to provide relating to any new hydraulic fracturing policies or regulatory actions?

# Administration Action Closing OCS Areas to Offshore Drilling

Page one

Wednesday, December 1, 2010

- Natural Resources Committee Ranking Republican Doc Hastings was the first Member of Congress to publicly condemn the Administration's decision to re-instate a moratorium on offshore drilling.
  - Released a public statement @ 12:47 PM (Official announcement by Administration came @ 1:30 PM)
  - Delivered floor statement against the proposal @ 3:55 PM
  - Sent release with maps and facts on the announcement at 5:30 PM
- The Natural Resources Committee has jurisdiction over all offshore energy production, and Interior Department's BOEMRE (Bureau of Ocean Energy Management, Regulation and Enforcement).

U.S. HOUSE OF REPRESENTATIVES  
NATURAL RESOURCES COMMITTEE REPUBLICANS  
CONGRESSMAN DOC HASTINGS, RANKING MEMBER

FOR IMMEDIATE RELEASE CONTACT: [Bill Strat](#) or [Spencer Pederson](#)  
Wednesday, December 1, 2010 202-226-2311

**Hastings: Administration Taking Wrong Approach to U.S. Offshore Energy & Energy Jobs**

WASHINGTON D.C. – House Natural Resources Committee Ranking Member Doc Hastings (WA-04) released the following statement regarding the Obama Administration's announcement that they are placing the Eastern Gulf of Mexico and the Atlantic Coast off-limits to new offshore drilling in the new five-year plan:

*"The Administration is taking the wrong approach in responding to the BP spill and creating energy and energy jobs in this country. The answer isn't to give up and say, 'America can't figure it out, we'll rely on other countries to produce our energy.' The answer is to find out what went wrong and make effective, timely reforms to ensure that U.S. offshore drilling is the safest in the world.*

*"This plan to lock-up vast portions of America's offshore energy resources is short-sighted and will lead to long-term job impacts, economic harm and increased reliance on foreign energy from dangerous and hostile countries. We need to keep and create these jobs in America, and we need to get serious about producing more American-made energy.*

*"The areas being closed by the Administration contain some of the most promising and accessible shallow water resources anywhere. By closing these areas, the Administration continues the misguided policy of limiting offshore energy development to only a fraction of the Gulf of Mexico and only in deeper and deeper water.*

*"The Deepwater Horizon spill was a terrible tragedy, but this is a great country and we shouldn't allow this single event to disrupt our long-term need for as all of the above energy plan that includes the responsible development of our nation's oil and gas resources."*

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<http://republicans.naturalresourcescommittee.house.gov>  
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U.S. HOUSE OF REPRESENTATIVES  
NATURAL RESOURCES COMMITTEE REPUBLICANS  
CONGRESSMAN DOC HASTINGS, RANKING MEMBER

FOR IMMEDIATE RELEASE CONTACT: [Bill Strat](#) or [Spencer Pederson](#)  
Wednesday, December 1, 2010 202-226-2311

**Hastings Speech: Obama Admin Re-Imposes Drilling Moratorium that was Lifted with Bipartisan Congressional Support**

WASHINGTON D.C. – House Natural Resources Committee Ranking Member Doc Hastings (WA-04) delivered the following one-minute speech on the House floor regarding today's announcement by the Obama Administration to lock-up more areas of the Outer Continental Shelf to American energy development and job creation:



[Click here to watch.](#)

"There has been bipartisan agreement across this country, and in Congress, that blanket moratoriums on offshore drilling hurts America when it comes to jobs and energy. Yet, the Obama Administration has suddenly imposed a moratorium that closes the Eastern Gulf of Mexico and the entire Atlantic Coast.

This is the wrong way to respond to the BP oil spill. It hurts our economy and job creation. The answer is not to say, 'America can't figure it out, we'll rely on other countries to produce our energy.'

The right answer is to find out what went wrong...and make the effective, timely reforms that ensure that U.S. offshore drilling is the safest in the world.

The Deepwater Horizon spill was a terrible tragedy...but this is a great country, and we shouldn't allow this single event to disrupt our long-term need to develop all of the

Resourceful Information  
NATURAL RESOURCES COMMITTEE REPUBLICANS  
CONGRESSMAN DOC HASTINGS, RANKING MEMBER

December 1, 2010

**New Obama Drilling Plan Has Americans Seeing Red  
Maps Detail Job-Killing Proposal to Lock-Up More of the OCS**

Today, Interior Secretary Ken Salazar doubled down on the Obama Administration's previous offshore drilling moratorium announced in March 2010, by placing EVEN MORE of the Outer Continental Shelf (OCS) off limits to energy development.

As the maps below illustrate, the Obama Administration has moved our country backwards in terms of offshore land available for energy leasing. In 2009, there was bipartisan support to lift the Congressional drilling moratorium, now just two years later, the Administration has unilaterally re-imposed the ban.

**Map of OCS when President Obama took Office - January 2009**



Legend

- Green: Areas open for drilling
- Orange: Areas closed by moratorium
- Purple: Areas closed by Obama drilling plan
- Blue: Areas closed by previous moratorium

# Administration Action Closing OCS Areas to Offshore Drilling

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## Two Days Later...

- News story on Energy & Commerce Committee Member Fred Upton pressing Interior Department for information on offshore drilling permitting and safety.
- The Energy & Commerce Committee has no direct jurisdiction over offshore energy production or the Interior Department.
- The Hill reported (12/3):  
*"[Upton] signals that he intends to pursue oversight of offshore drilling if he wins the committee gavel, even though energy development in federal waters is also major part of the Natural Resources Committee's jurisdiction."*

  
  
THE HILL'S Energy & Environment Blog

### Upton probes Interior's offshore oil permitting, warns against delays

By Ben German - 12/03/10 11:20 AM ET

Rep. Fred Upton (R-Mich.) – the frontrunner to lead the Energy and Commerce Committee – is pressing the Interior Department for information about offshore drilling permits and warning that new safety rules “must not be used as a delaying tactic” to slow projects.

A [detailed letter from Upton](#) to Interior late last month signals that he intends to pursue oversight of offshore drilling if he wins the committee gavel, even though energy development in federal waters is also major part of the Natural Resources Committee's jurisdiction.

Upton's Nov. 26 letter, obtained by The Hill, cheers Interior's October decision to lift the deepwater drilling freeze imposed after the BP oil spill began, calling the ban a “job killing” policy.

“But I urge you not to replace it with a ‘Permitorium,’ a de facto moratorium on the grounds that no new permits are being issued,” states Upton's letter to Michael Bromwich, director of Interior's Bureau of Ocean Energy Management, Regulation, and Enforcement.

Interior, in lifting the deepwater ban, said companies must show compliance with beefed up safety rules to obtain drilling permits.

Upton calls safety of the “utmost importance” and writes that federal officials must ensure all rigs are ready to operate safely. But he adds, “safety must not be used as a delaying tactic.”

Upton is battling three other lawmakers seeking chairmanship of the Energy and Commerce Committee when Republicans take over the House next year.

The letter comes as Bromwich is urging Congress to fully fund Interior's recent request for \$100 million for new inspectors and enhanced oversight (lawmakers have provided only some of the money to date).

“Holding the entire offshore drilling industry hostage so that you can obtain more funding for your agency is unacceptable and wrong,” Upton writes.

“I seek your assurances that BOEMRE is indeed moving forward with the necessary inspections and is making significant progress towards the goal of getting the offshore drilling industry back to normal operating levels,” writes Upton, who is currently the ranking Republican on the Energy and Environment Subcommittee.

Upton and other Interior critics also say the agency is dragging its feet on permits for shall ow-water projects.

The letter asks a series of questions about permits, inspections, the number of jobs lost as a result of the deepwater drilling freeze, and several other matters.

# Create an Energy and Natural Resources Committee

- Energy deserves the concentrated attention of one Committee with full jurisdiction over this sweeping issue.
- Transition from Minority to Majority offers unique opportunity to make bold changes to improve how the House operates and to better serve our Nation.
- Now is the time to consolidate energy jurisdiction into one Committee – and end current split between Natural Resources and Energy & Commerce.
- Creating an Energy and Natural Resources Committee would:
  1. Advance GOP's all-of-the-above approach by marrying together nation's broad energy policy with vast majority of America's actual energy resources that are on federal land & offshore.
  2. Level the power of Committees, and align jurisdiction to better focus on priorities.
  3. Eliminate overlap and duplication among Committees that wastes time, energy, resources.
  4. Create more opportunities for more Members to engage in top issues affecting Americans' lives.

*Prepared by House Natural Resources Committee Republicans – Doc Hastings, Ranking Member*