



**U.S. House of Representatives**  
**Committee on Natural Resources**  
**Washington, DC 20515**

16 July 2008

The Honorable Nick J. Rahall II  
Chairman  
Committee on Natural Resources  
1324 Longworth HOB  
Washington, D.C. 20515

Dear Mr. Chairman:

On or about June 18, 2008, you posted on the Committee on Natural Resources' official website a report entitled, "The Truth About America's Energy: Big Oil Stockpiles Supplies and Pockets Profits." This site is widely available to the public and the press, and your staff has directed interested parties to the report on the website. Given the hue and cry of the American people about the skyrocketing price of gasoline in the last 18 months, and that our committee has jurisdiction over substantial new energy resources on public lands, our website has certainly drawn even more public attention than usual in the last several weeks.

Under Committee on Natural Resources Rule 5(e), all Committee reports printed and not approved by a majority vote of the Committee must carry the following disclaimer on the front of the report: "This report has not been officially adopted by the Committee on Natural Resources and may not therefore necessarily reflect the views of its Members." No such disclaimer is on the report or its "update" posted on the Committee web site.

In fact, this report was authored solely by the Democratic staff of the Committee with no input from the Republican Members or staff, many of whom have extensive experience with oil and gas development on public lands. No hearings were held on the report, it was never submitted for the approval of the Committee and the Committee never voted on it. Nonetheless, you and others have been referred to this document as "a Committee report" and this has been echoed by the media. As examples, I cite the following:

"But Rahall's committee produced a report that showed the vast majority of oil and gas reserves on public lands are already available for leasing." House Rejects "Use It or Lose It" Drilling Legislation, redOrbit (6/30/08).

"Our Committee on Natural Resources has extrapolated out the figures from current production on Federal lands, those figures coming from the Energy Administration [sic], the same department that the administration uses." Statement by the Honorable Nick J. Rahall II during debate on H.R. 6251, 154 *Congressional Record* H6115 (June 26, 2008).

"Rahall said an investigation by his committee showed that more than 80 percent of the estimated oil and gas on federal land is already available for drilling or will be in the near future, all without challenge from environmentalists." Democrats Say Oil Companies Should Lose Leases They Don't Use, Bloomberg.com (June 21, 2008).

“Total U.S. oil production would double - and domestic natural gas amounts would jump by 75 percent - if big oil companies would use the drilling permits they’ve already been granted, according to a report by the House Committee on Natural Resources.” Legislation Would Make Big Oil “Use It or Lose It,” The Intelligencer Wheeling News-Register (June 19, 2008).

“A report by the U.S. House Committee on Natural Resources, which Rahall chairs, states that oil and gas companies hold leases to 68 million acres of federal land and waters, spread out all across the country, hat are not producing anything.” W. Va. Congressman Pushing Oil Companies to Start Drilling Unused Land, Charleston Daily Mail (June 18, 2008).

As you know, I believe the methodology used to support your arguments that public land oil and gas leases are being “stockpiled” are specious, and are neither supported by the facts nor the law. I have requested a clarification of the calculations used in your report but have yet to receive it. Nonetheless, based on my extrapolation of your extrapolations, it would appear that if we opened to leasing the 570 million acres of the Outer Continental Shelf that are under a moratorium until October 1, 2008, then we would produce 40.2 million barrels of oil per day, twice the amount consumed by Americans every day.

After the report was issued, I received a letter from the Secretary of the Interior that affirms the report is not based on meaningful input by the Department of the Interior, which administers all federal oil and gas leases. By his letter dated June 25, 2008, Secretary Kempthorne informed me:

The [unapproved Democrat staff] report does not reference specific locations for much of the data and therefore we cannot ascertain where each of the numbers was derived. It appears the report took raw data, some of which can be found on the Department websites, and then used various formulas to reach certain conclusions. The report does not disclose the assumptions or formulas used . . . The views contained in the report are based on a misunderstanding of the very lengthy regulatory process.

Given the confusion in the media and the misleading analysis contained in the staff report, I respectfully request that the report be removed from the Committee website immediately. Barring that, I ask that the disclaimer required under Committee Rule 5(e) be included on the face of the report and the “update” and that any official reference to the report clarify that it is merely a Democratic staff work product.

Sincerely,



DON YOUNG  
Ranking Republican