

United States Senate

WASHINGTON, DC 20510

July 28, 2011

The Honorable Barack Obama
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Obama:

As you work to resolve our nation's long-term deficit and debt challenges, we urge you not to overlook the need to grow our economy as a fundamental part of any solution. A vibrant economy that creates good jobs for working Americans will greatly assist in reducing annual deficits, and the nation's oil and gas industry can be an important source of that economic growth. Strengthening the middle class and protecting consumers from rising energy prices provides long-term stability for the American economy and government revenues in turn.

While we continue to hear talk about increased taxes on the oil and natural gas industry, numerous studies show the industry can create thousands of jobs throughout the economy and substantially increase the revenues it provides to our government if increased access is given to domestic resources. America's oil and natural gas industry already supports over 9 million American jobs and delivers more than \$86 million a day to the federal government through taxes, bonus bids, royalties and other production fees. With increased domestic access to our abundant resources, it has the ability to contribute much more. An expansion of revenue sharing from outer continental shelf activity will only accelerate the development of these resources, which will bring in new revenues to the Federal treasury, provide jobs and supply this country with the domestic energy it so desperately needs.

We have all supported various proposals to increase our domestic energy production, and in the face of America's looming deficit, it is clear that greater access to domestic resources should be a part of the solution. For example:

- In Alaska, the Beaufort and Chukchi seas contain some 24 billion barrels of oil and over 100 trillion cubic feet (TCF) of natural gas according to federal estimates. Additionally, according to the U.S. Geological Survey, ANWR is likely to contain 10.4 billion barrels of oil and 8.6 TCF of natural gas; having a chance of

producing as much as 16 billion barrels of oil, which would make it the largest undiscovered onshore conventional oil deposit in North America.

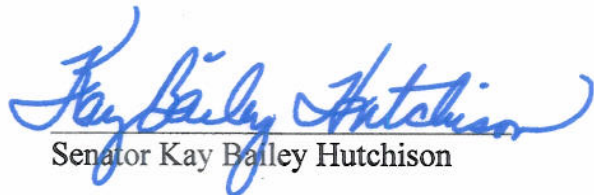
- In Virginia, the Bureau of Ocean Energy Management, Regulation and Enforcement estimates that lease sale 220 area could contain 1.14 TCF of natural gas and 130 million barrels of oil. The offering of 2.9 million acres 50 miles off the coast of Virginia would significantly improve Virginia's and America's energy security. Revenue sharing could also provide Virginia with much needed funding for transportation infrastructure improvements, alternative energy programs and land and water conservation efforts.
- In the Gulf of Mexico it is estimated there are 45 billion barrels of oil and 233 TCF of natural gas. Improving the pace of offshore permit approval to a 2009 and early 2010 level could create an additional 190,000 jobs nationwide by 2013, for a total of over 430,000 jobs supported by the Gulf of Mexico oil and natural gas industry. That's an estimated 140,000 jobs in Texas, 129,000 in Louisiana, 48,000 in Alabama and 3,000 jobs in Mississippi.
- And across the country, studies show that additional access will deliver \$1.7 trillion directly to the federal government in additional revenue and create an additional 530,000 new American jobs.

As you continue your negotiations, we urge you to remember the oil and gas industry is part of the solution. It will increase jobs and generate billions in new revenue to meet the challenges at hand, both of which we desperately need.

Sincerely,



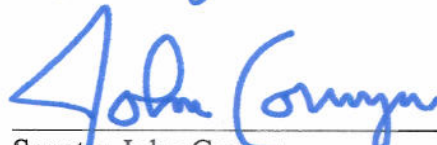
Senator Mark Begich



Senator Kay Bailey Hutchison



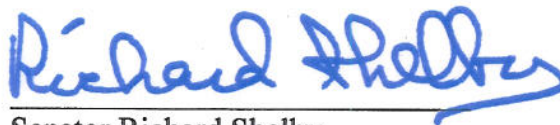
Senator Mary L. Landrieu



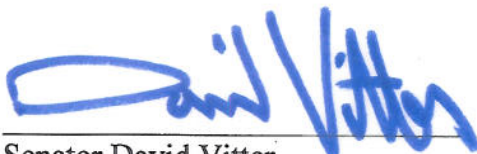
Senator John Cornyn



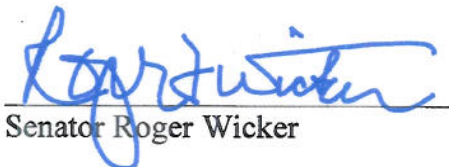
Senator Mark R. Warner



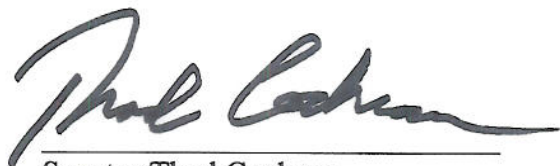
Senator Richard Shelby



Senator David Vitter



Senator Roger Wicker



Senator Thad Cochran