

REGULATORY BOTTLENECKS

America's Independent Producers Are Threatened by the Regulatory Process

During one of the worst national economic downturns, the American oil and natural gas industry has remained a significant bright spot. Independent producers across the country are:

- Hiring thousands,
- Generating billions in revenue,
- Improving the nation's balance of trade,
- Increasing American energy supply while reducing foreign oil imports for the first time in decades, and
- Strengthening national security.

However, the oil and natural gas industry continues to be <u>confronted by a regulatory framework</u> <u>that is complex, extensive and growing</u>. Opponents maintain their track to limit and/or halt American energy production through the federal regulatory agencies.

The states have <u>effectively regulated</u> the production of oil and natural gas for the past century and continue to do so.

Now, the Obama administration is looking to federalize the regulation of oil and natural gas production under laws that have not been used before – creating duplicative, costly burdens that will be detrimental to America's independent producers. Such actions would hamper production and result in a loss of jobs, loss of revenue, decreased American energy supply, increased reliance on foreign imports and a weakened economy and national security.

11 Federal Agencies Take Aim at American Oil, Natural Gas Producers

- Environmental Protection Agency
- Department of Energy
- Department of the Interior
- Department of Agriculture
- Department of Defense
- Department of Transportation
- Department of Health and Human Services
- Department of Commerce
- Department of Labor
- Department of State
- Securities and Exchange Commission

How The Industry is Being Targeted

Safe Drinking Water Act; Clean Air Act; Clean Water Act; Toxic Substances Control Act; Resource Conservation and Recovery Act; Restructured offshore permitting process; Increased royalty rates; New requirements for hydraulic fracturing chemical disclosure; Well construction standards; and Water management.