

OIL EXPORTS DISPATCH



Brought to you by IPAA's OIL EXPORT WORKING GROUP

ANADARKO PETROLEUM
APACHE CORPORATION
BELLE FOURCHE PIPELINE COMPANY
BREITLING ENERGY

CHESAPEAKE ENERGY
CONCHO RESOURCES
CONOCOPHILLIPS
CHAPARRAL ENERGY
CRESCENT POINT ENERGY

DEVON ENERGY
DRILLING & PRODUCTION CO.
ENCANA CORPORATION
EOG RESOURCES
EP ENERGY

HESS CORPORATION
LINN ENERGY
MARATHON OIL
NEWFIELD EXPLORATION
NOBLE ENERGY

OCCIDENTAL PETROLEUM
PIONEER NATURAL RESOURCES
QEP RESOURCES
WHITING PETROLEUM
XTO ENERGY

In The News

U.S. shale producers get no relief from rising Brent

(Column-- John Kemp) [Reuters](#). More than ever before, U.S. shale producers are becoming the victims of outdated restrictions on the export of crude oil from the United States. Export controls have ensured the most oversupplied part of the global oil market is at home in the United States. The main beneficiaries are rival producers in the Middle East and elsewhere able to obtain higher international prices thanks to the export ban.

Counter OPEC's power by boosting American crude oil exports

(Op-ed by J. Michael Barrett--formerly on the White House Homeland Security Council.) [East Valley Tribune](#). Congress can strengthen our domestic economy ... It should lift the ban on crude oil exports. Domestic firms could then sell oil to the many overseas buyers eager to reduce their own energy dependence,

IPAA Member Urges Repeal of Export Ban at Hearing

The U.S. House subcommittee on Energy and Power, chaired by Rep. Ed Whitfield (R-KY), held a hearing last Tuesday to examine different perspectives on the crude oil export ban. IPAA member Scott Sheffield, chairman and CEO of Pioneer Natural Resources testified that the ban could unintentionally harm U.S. producers and consumers while benefiting OPEC countries.



Sheffield testifies against the oil export ban.

Sheffield said: "If U.S. producers are forced to downsize further due to a protracted downturn caused by the export ban, it could take the industry many years to restore production growth. Loss of critical mass in the U.S. oil and gas sector equates to loss of energy security for the United States," he said.

Amy Myers Jaffe, executive director of Energy and Sustainability at the University of California, Davis, spoke to the geopolitical influence of America's new abundance, calling for the United States "to lead from the front when it comes to energy geopolitics." She explained, "A formalized national security assessment

thus reducing the power of OPEC to maintain a throttle on U.S. and global oil supplies. What's more, if U.S. producers are allowed to expand to foreign markets, they'll be able to compensate for lower oil prices with greater total sales.

It's Time to Remove the Prohibition to Export Crude

(op-ed by Alex Mills, President, Texas Alliance of Energy Producers) [Rigzone](#). The dramatic increase in U.S. oil production has produced tremendous benefits for Americans. The federal government, however, has constrained many of those benefits by limiting the ability to export crude oil. Crude oil producers obviously would like to export more when there is a large price differential between the price of oil at the lease in Texas and the price in Europe. The law banning crude oil exports prevents crude oil producers in the U.S. from participating in free trade of a commodity that is traded worldwide.

JOIN the IPAA Oil Export Working Group [here](#).

VISIT the IPAA Exports Website [here](#).



needs to be a more transparent metric for decision making on energy infrastructure and trade policy, similar to the manner in which environmental assessments are performed. Our international diplomacy should be addressing energy pro-actively."

Other witnesses included Charles Drevna, president and CEO of the American Fuel & Petrochemical Manufacturers and Adam Siemenski, administrator of the Energy Information Administration.

For a copy of Sheffield's testimony, [click here](#).

For a video of the entire hearing [go here](#) (Sheffield's testimony begins at the 42:00 minute mark).

ConocoPhillips CEO Provides Insight on Export Ban to U.S. Chamber of Commerce

Also last Tuesday, ConocoPhillips Chairman and CEO Ryan Lance delivered an energy policy speech at the U.S. Chamber of Commerce that appealed to the congressional and executive branches of federal government to lift the outdated and economically constraining national ban on crude oil exports.

In his remarks, "American Energy: Keeping the Momentum Going," Lance cited the nation's oil and natural gas industry for supporting 9.8 million domestic jobs, and the recent energy renaissance for providing 40 percent of the growth in the nation's gross domestic product over the past two years.

According to ConocoPhillips' press release, "growth in U.S. light oil production in 2014 was a million barrels a day, with further growth anticipated this year. There are currently seasonal surpluses of light oil, and these are expected to extend year-round by 2017. The resulting price discounts on domestic light oil sold to refiners, combined with weak world oil prices, threatens to force proposed development projects below their break-even points. Unless exports are allowed, the pace of drilling would slow, causing domestic job losses and damaging the economy."

Lance's speech was webcast live and may be viewed on the Chamber's website [here](#).

Did You Hear?

Last week, IPAA held its annual Congressional Call-Up. Dozens of IPAA members met with more than 100 offices on Capitol Hill. Prior to the Call-Up, IPAA and other industry trade groups, including the U.S. Chamber

of Commerce, wrote to leaders of the House Energy and Commerce Committee last Monday, stating, "The time has come to liberate America from the self-imposed and self-defeating constraints of the counter-productive oil export prohibition."

The groups said: "Free trade has always been a key driver of American prosperity, and competitive and open markets facilitate investment and innovation which foster economic growth and opportunities for America's workforce. Specific to the recent renaissance in American crude oil production which has led the Nation's economic recovery, our industry has generated millions of high paying direct and indirect jobs. As importantly, we have seen a shift in our workforce demographics creating new career opportunities for minorities and women--communities historically underrepresented in this industry. These good paying jobs are transforming not just the workers' lives but also their families and communities. Lifting the now counter-productive 1970s era prohibition on the export of American crude oil and giving U.S. crude producers access to customers in global markets will maintain this momentum and continue to grow these job opportunities."

For a copy of the letter, [click here](#).

INDEPENDENT PETROLEUM ASSOCIATION OF AMERICA

1201 15th Street, NW, Suite 300, Washington, DC 20005 | 202-857-4722 | www.ipaa.org

Copyright © 2015. All Rights Reserved.