



September 1, 2021

The Honorable Raul Grijalva
Chairman
House Natural Resources Committee
1324 Longworth House Office Building
Washington D.C 20515

The Honorable Bruce Westerman
Ranking Member
House Natural Resources Committee
1324 Longworth House Office Building
Washington D.C. 20515

Chairman Grijalva and Ranking Member Westerman;

On behalf of the hundreds of thousands of employees and their families that we represent, we must reiterate our strong opposition to the punitive actions your committee is about to take as part of a rushed Budget Reconciliation Act.

We have made our opposition and our positions to these various proposals known in the past and they are part of the Record. Our positions have not changed.

As you head into your committee markup tomorrow, your members should be reminded of the role oil and natural gas play in the American economy. According to the Energy Information Agency:

*“Petroleum products include transportation fuels, fuel oils for heating and electricity generation, asphalt and road oil, and [feedstocks](#) for making the chemicals, plastics, and synthetic materials that **are in nearly everything we use**. In 2020, of the approximately 6.6 billion barrels of total U.S. petroleum consumption, 44% was finished motor gasoline (includes [fuel ethanol](#)), 21% was distillate fuel (heating oil and diesel fuel made from crude oil and [biomass-based diesel fuel](#)), and 6% was jet fuel. Over 13 other types of petroleum products made up the other 29% of total [petroleum consumption](#) in 2020.”*

A simple web search produces this partial list of products made from oil and natural gas. This is just a partial list of the over 6,000 different items you, your staff, and your constituents use every day. One 42-gallon barrel of oil creates 19.4 gallons of gasoline. The rest (over half) is used to make things like:

Electronics
Bearing Grease
Ink
Floor Wax
Ballpoint Pens
Football Cleats
Upholstery
Sweaters
Boats
Insecticides
Bicycle Tires
Medicines
Nail Polish
Fishing lures
Dresses
Tires
Computer Chips
Perfumes
Dishwasher parts
Toolboxes
Shoe Polish
Motorcycle Helmet
Caulking
Surgical Masks
Transparent Tape
CD Player
Faucet Washers
Antiseptics
Clothesline
Curtains
Food Preservatives
Basketballs
Soap
Vitamin Capsules
Antihistamines
Purses
Shoes
Dashboards
Cortisone
Deodorant
Shoelace Aglets
Dyes
Panty Hose
Refrigerant

Percolators
Life Jackets
Rubbing Alcohol
Linings
Skis
TV Cabinets
Rugs
Electrician's Tape
Tool Racks
Car Battery Cases
Epoxy
Paint
Mops
Insect Repellent
Umbrellas
Fertilizers
Hair Coloring
Roofing
Toilet Seats
Fishing Rods
Lipstick
Denture Adhesive
Linoleum
Ice Cube Trays
Synthetic Rubber
Speakers
Plastic Wood
Electric Blankets
Glycerin
Tennis Rackets
Rubber Cement
Fishing Boots
Nylon Rope
Candles
Trash Bags
House Paint
Water Pipes
Hand Lotion
Roller Skates
Surf Boards
Shampoo
Wheels
Paint Rollers
Shower Curtains

Guitar Strings
Luggage
Aspirin
Safety Glasses
Antifreeze
Football Helmets
Awnings
Eyeglasses
Clothes
Toothbrushes
Footballs
Combs
CD's & DVD's
Paint Brushes
Detergents
Vaporizers
Balloons
Sunglasses
Tents
Heart Valves
Crayons
Parachutes
Telephones
Enamel
Pillows
Dishes
Cameras
Anesthetics
Artificial Turf
Artificial limbs
Bandages
Dentures
Hand Sanitizer
Hair Curlers
Cold cream
Movie film
Soft Contact lenses
Drinking Cups
Medical Devices
Shaving Cream
Ammonia
Refrigerators
Golf Balls
Toothpaste

Mr. Chairman and Ranking Member we must remind you that your actions will have consequences. Every single one of these items will cost your constituents more. These products will continue to be manufactured but with the use of petroleum products imported from Russia and Iran. The Administration has talked at length about supply chain constraints, but you are now about to act to constrain the future supply of 6,000 products we all use every day

If the Committee is successful in its efforts to ram through the proposed list of ill-conceived and punitive fees, royalties, and penalties in an effort to raise just six billion dollars in revenue, these are the consequences that will follow, and consequences you will be responsible for bringing about.

- The small businesses that remain operating on federal lands will leave because the Committee will have rendered operating on federal lands virtually impossible.
- Tens of thousands of minority jobs will be lost. Rural communities will be decimated. Tribal budgets will be eviscerated and the Native American allottees who receive royalty payments will lose those payments each month, trapping them in poverty.
- The consumer products listed above will cost more and the working-middle class and small business owners already reeling under the effects of rampant inflation will bear the brunt of those costs. The Biden Administration is clearly concerned about inflated prices at the pump or why else would they appeal to OPEC+ to increase production of oil despite the fact it is produced without the stringent environmental safeguards we produce under in the United States?
- Your vastly over-optimistic revenue projections will never be realized and instead you will have decimated an industry and the small communities that are sustained by them. Frankly, it is not clear that these provisions will raise any revenues as production inevitably flees federal lands.

The Committee has spent countless hours discussing environmental justice, yet you are about to implement one of the worst environmental and economic injustices on these rural and tribal communities in the last 100 years.

We stand in opposition and request that you reconsider your pending action tomorrow

Sincerely,



Kathleen M. Sgamma
President
Western Energy Alliance



Tim Stewart
President
USOGA



Jason McFarland
President
IADC



Leslie Beyer
CEO
Energy Workforce &
Technology Council