

Lawyers have donated \$9.6 million to Mrs. Clinton, \$8.2 million to Mr. Edwards and \$7.9 million to Mr. Obama.

Mr. Giuliani, a former prosecutor and partner with Bracewell & Giuliani LLP, raised \$3.2 million from others in his profession. That was more than any other Republican but less than half as much as the leading Democratic candidates.

Pennsylvania-based law firm Blank Rome LLP was the top source of donations to Mr. McCain, who collected \$141,000 from employees of the firm. Mr. McCain fared well with employees of Greenberg Traurig LLP, a Miami firm that ranks as his third-largest contributor. As the chairman of the Senate Indian Affairs Committee, Mr. McCain took the lead in investigating convicted lobbyist Jack Abramoff, who was a lobbyist with Greenberg Traurig.

Mr. McCain and Mrs. Clinton led all others with donations from lobbyists. Mrs. Clinton collected \$568,000 from lobbyists, while Mr. McCain has \$340,000.

ENERGY

The SPEAKER pro tempore (Mr. DONNELLY). Under the Speaker's announced policy of January 18, 2007, the gentleman from Georgia (Mr. WESTMORELAND) is recognized for 60 minutes as the designee of the minority leader.

Mr. WESTMORELAND. Mr. Speaker, it's good to be here tonight. And we're going to talk a little bit about what is on most people in this country's mind, and that's the price of gas, and the price of energy in general.

We're going to be talking about gas tonight and the expense that it takes for American families to go on vacation, just go to work, even go to the store, Mr. Speaker. And so I know that's at the forefront of most Americans' minds today.

Let me just start out by saying that what we want to do tonight, Mr. Speaker, is just point out a few things that may be not consistent with what's coming out of the majority's side about what we're doing about gas prices and what can be done about the price of gasoline now. And we've heard everything from, well, it will take 22 years to get any oil that's in the ground now, that's in our Outer Continental Shelf or in our national lands to the market. And that's not true. And so we're going to talk a little bit about that tonight. And I'm joined by friends of mine, the gentleman from New Jersey and the gentleman from Illinois, and we're going to share some of those things.

But first of all, Mr. Speaker, let me explain that about, I guess, a month ago I was approached by constituents in my district, and they were talking to me about petitions, and petitions that were on the Internet, calling and asking me if I had signed petitions. Some of them were "increase domestic oil drilling," which American Solutions had, some are "gas tax holiday" that presidential candidate Senator MCCAIN had, "develop alternative energy sources," which is Energypetition.com.

And then there were petitions against drilling in ANWR. Democratic

Senator BARBARA BOXER from California had one, and Mr. Speaker, the Sierra Club, Green Peace. There were different petitions. There was actually a "cap oil company profits by new government regulations." There are some people in the majority that believe that we can actually regulate our way out of this energy crisis, so one of those was Moveon.org.

After talking to my constituents about all these different petitions—and they were calling me and asking me if I had signed, they were going to these web pages and either signing or voicing their protest—I was at a service station at home and there was another petition there and it said, "sign this petition if you want to lower gas prices." And I'm assuming that the proprietor of that station was doing that to give people something to do when they were paying for their gas rather than fuss at him. But what it brought to mind is we, in this body, Mr. Speaker, are beginning to see how our constituents feel about this.

I know today we were at a press conference where American Solutions presented the minority leader in the House and in the Senate with a petition. And I think later on—I don't know whether it's this week or next week—they're going to present this same petition to the majority leader in both the House and the Senate, it may be even Mr. REID in the Senate and Speaker PELOSI here in the House.

But what I decided to do was to come up with a petition so our constituents would know how the Members in this body—the 435 Members that are elected to be voting Members, the seven delegates from the American territories here—I decided that, you know, it would be good for those constituents to be able to see how their representative felt about increasing our oil production to lower the gas prices because that's one of the things that is going to help us. And it's more of an "all of the above," but one of the key ingredients is just voting or having a vote that we could increase our oil productions, whether that's shale oil, oil coming from biomass—which is a new technology that's coming out today—whether it's drilling in the Outer Continental Shelf, drilling on Federal lands, drilling in ANWR, whatever the case may be. So I came up with a simple petition, and it says, "American energy solutions for lower gas prices: Bring onshore oil online, bring deep-water oil online, and bring new refineries online."

And, Mr. Speaker, a lot of people may not realize that we have not built a refinery in about 30 years in this country. And even some of the refineries that are online today produce diesel that has to be exported because it does not meet the new sulfur limits that we have put on some of the diesel fuel that's used in this country. And so I came up with this, and then I made a simple petition, Mr. Speaker.

And I think this petition is probably just too simple for some of the people

in this body because it's not a piece of legislation, it is simply a statement, Mr. Speaker, to the people that they represent to let those people know how they feel about increasing U.S. oil production. And it simply says, "I will vote to increase U.S. oil production to lower gas prices for Americans." And that's about as simple as you can get because I think that's what the American people, Mr. Speaker, want to see is that we're doing something, that we're taking some action.

You know, we have voted on several bills in probably the last 2 weeks, "use it or lose it," which a lot of my colleagues from the majority side went home and told their constituents that this was a pro-drilling bill. Well, I disagree with that, it was not a pro-drilling bill; and it was actually very misleading in the fact of use it or lose it, and we'll go into that in just a minute.

But so far, Mr. Speaker, we've had 191 Members sign this. We've had eight Democrats, 183 Republicans that have signed it. Of course it takes 218 to do anything in this body.

□ 2100

But this is not a discharge petition. This is just a simple pledge, or not really a pledge. It's just a petition that people can sign to let their constituents know.

And what we have done to make it easy, Mr. Speaker, for people to realize or to understand if their representative has signed this is we set up a little Web page. It's www.house.gov/westmoreland. And on there we have people that have signed it, we have people that have refused to sign it, and then those that we have not talked to yet that have not signed. So, Mr. Speaker, I would encourage you, if you wanted to know how different Members in your delegation either signed or not signed and just for people would know that they could go to this Web site, www.house.gov/westmoreland, to find out.

And it's interesting because of some of the articles and press releases that I have been reading, I guess, for the last week or so, what we have got is we have got people going home saying one thing and then coming back to Washington and doing something else or not doing what they said they were going to do for the people that vote them into office. So I would hope that we could finally make people match their walk to their talk. So I think this is just an interesting tool that people can use to find out if their Congress person is matching the talk.

I yield to my friend from Illinois.

Mr. SHIMKUS. I want to thank my colleague for yielding, and I appreciate all the work he's doing to raise these issues.

I'm going to take a different tact tonight and respond to an e-mail that I got from a constituent in my district. And most of the e-mails we are getting are pretty angry about the high costs of fuel and energy. This one is asking

for answers and debating some of our points; so if I might, and it's an e-mail that I usually don't get very much because he claims he's a tree-hugging constituent of mine. So I want to take this time.

He says: "There has to be a better way to go than this. I would rather pay more at the pump than risk poisoning the oceans and nature preserves up north any further with additional drilling." I want to address two of those points.

There are people who are willing to pay more. But there are people in this country, the poor, the middle class, the lower middle class, who can't afford to pay more, and that's what is frustrating in part about this debate. We know that there are people who, because they are very wealthy, live in splendid homes, can afford to pay whatever the price to bear. But we know in our congressional districts those people who are making tough decisions or families who used to be able to travel away to their kids' sporting events and now have decided not to do that. So it's affecting everyday family life. So I get the point that some people can. I will tell you that the vast majority of Americans can't afford to pay more.

And the other issue I would like to address on this is when energy costs go up, costs for everything go up. This whole food/fuel debate is really a food/energy debate. When a kernel of corn gets planted and then gets harvested and goes through the process and then goes all the way to the grocery store, it's going to travel about 1,500 to 2,000 miles. Now double the cost of diesel fuel, and you could see the escalation of food prices. So although someone may be able to pay more at the pump, they are also paying more at the grocery store. They are actually paying more in taxes as we have to heat and electrify government buildings and all those processes. So I get the point that some people can pay more. The vast majority of Americans can't.

And I will tell you the ones in my district in rural America, I have got some very proud, independent, tough people who can get through anything, but they live in small counties away from major cities, and to get to work, to get the food, to get the health care, they have to drive long distances.

He also says: "Wouldn't more funding for alternative fuels and infrastructure go a long way?" And our response would be all of the above. We want that. But when people say let's just put more funding into these things, what that means is that if you're not finding a way to recover that revenue through oil and gas exploration, where does that new revenue come from? The new revenue to advance alternative fuels, the new revenue to increase infrastructure all will come on the backs of individual taxpayers. So now you're laying more energy costs on them; then you're laying more taxes on them; then you're getting to a point where, you

know, this country was founded on tax revolt, taxation without representation, and these energy costs are a new tax burden on the middle class that they are revolting from, and they are looking to us for help.

I wanted to talk to him about the alternative fuel standard. Most of us know about the renewable fuel standard, talking about biofuels, ethanol. But we have numerous times come to this floor on the alternative fuel standard, and alternative brings in other types of fuels. You have a chart up there of the Outer Continental Shelf. If we were to bring on more supplies of natural gas, we could take that natural gas, turn it into liquid fuels, and that could be part of a new alternative fuel supply which is cleaner than conventional gasoline.

Many people know that I'm from Southern Illinois and I deal with coal. Taking coal and turning it into liquid fuel should qualify as an alternative fuel, not relying on imported crude oil, not exploration in the Outer Continental Shelf, not up in Alaska. It is right in the middle of our country, safe and sound from hurricanes, and if they would close the sea traffic, our own coal reserves would not be affected by that.

He ends up by saying that we should be working harder and smarter. And I think our position has been we do because what we want to do is we are not saying no. Our problem is this: This trend line from \$23 to \$58, when the Democrats came in, to \$145 is not sustainable. I think that's accepted throughout this country, and I think it's public opinion.

So the question is what do you do about it? And you have offered a lot of options. And I like this. I have got the same chart here, the Outer Continental Shelf. We heard today that there is more pollution in the ocean and on the beaches based upon boaters and the normal seepage of oil and gas undersea than there is through oil and gas exploration. So, in fact, oil and gas exploration could take the pressure off the crude oil that's trying to seep to the top of the surface; so it could be at least helpful.

Then you get the revenue. This is working smarter. We get the revenue from the folks who are in the Outer Continental Shelf, and you take those dollars, and you move that into wind and solar and alternative fuel technologies, efficiency standards, plug-in hybrids. We're for all of the above, and when you go through all of the above, you're talking about American jobs.

GM announced a major layoff today, thousands of jobs. Why? High energy prices. Airlines are laying off thousands of jobs. Why? High energy prices.

Here is the coal-to-liquid provision, where we're talking about taking U.S. coal, building a coal-to-liquid refinery, refining that into a liquid fuel, putting it in a pipeline in the United States, taking it to our airports. We can produce jet fuel from coal. South Africa has done it for 50 years.

Finally, another option is the renewable fuels under attack. Biodiesel by soy or reformulated cooking oil, ethanol. Hopefully, we move to the cellulosic arena where we're out of the corn kernel and we move to really the trash of the trash. We can get there, and I say to my constituent who wrote, and I will probably reply with an e-mail, that we can get there by working harder and smarter using the great resources.

We are the only industrialized nation in the world where we see a natural resource and we say, "Ah, an environmental hazard," instead of saying, wow, now we are placed in a strategic national advantage to compete against the world in manufacturing goods and services. We can take the royalties from that and we can help to decrease our reliance on imported crude oil.

That's the future we are working for. It's a future of job creation for all America. It keeps us competitive around the world. And the first start is to allow us to start recovering the oil and gas reserves in this great country.

I appreciate your leadership. I signed your petition. We're having a lot of fun helping to educate ourselves and to educate the American people, and I appreciate the time.

Mr. WESTMORELAND. I want to thank my friend from Illinois, and I want to just comment on a couple of things he said.

Those things that you proposed would create American jobs, good-paying jobs. Most of those refineries are union jobs, and these are jobs that are going out of the country right now because there's not enough work here. And building these pipelines, building the refineries, the oil rigs, the things to convert the coal to liquid, I mean these are American jobs and American money that are going overseas and out of this country. And we hear the majority complain all the time about our sending jobs out of the country. This is what we are doing. And not only that, for people who talk about our trade deficit, and I know my friend from Texas can talk about that, but these are all things that we need to take into account. And like my friend from Illinois said, this is an all of the above.

The other thing that that brings up is we know that the three energy bills that were brought to the floor were under suspension. Now, Mr. Speaker, you know what "under suspension" means. And just to explain a little bit, "under suspension" means that you have about 20 minutes of debate on each side, a total of 40 minutes, no amendments, and typically there hasn't been a hearing, a committee hearing. So while we are passing these bills, and, in my opinion, it's been putting lipstick on a pig because some of these things that we have passed are already the law, just not being enforced, and other things I don't really believe are helping, they are just political correctness that we are trying to do, but there has been no input from

the minority. A side that represents about 50 percent of the people in this country have no input into the process. So I know you would have some great input into the process if we could just be allowed to have an amendment on the floor. But for some reason, the majority is afraid to allow us to have a vote.

I want to read one thing that Speaker PELOSI said yesterday about using suspensions. She said, "We are trying to get our job done around here, and we work very hard to build consensus. And when we get it, we like to just move forward with it, as we did on the Medicare bill," which is one of the largest expenditures we have had probably this year in this Congress that was done under suspension, "as we did with the SPR bill, and the list goes on and on. But it is not about a tool. It's about the legislative process and how we get a job done."

That legislative process that's being done in this House today is broken. And when the legislative process is broken, the product is flawed. And I think that's what we have seen because if you look at when Republicans took Congress, gas was \$1.44 a gallon. When the Democrats took control, it was \$2.10 a gallon. And now it's \$4.11 a gallon. This is what you get from working with a broken process and doing political correctness over the people and using power and politics over doing what is right. So this is what you end up with.

□ 2115

And this is what the American people, Mr. Speaker, are complaining about and rightfully so. Because we have the ability to provide our own energy resources. But because of politics, we are being voted from even having discussions on this floor or taking a vote on anything that we believe would be both a short-term and a long-term.

I would like to recognize my colleague from Texas, Mr. CONAWAY.

Mr. CONAWAY. I thank the gentleman. And I'm glad he is hosting this hour tonight so that we may have an opportunity to have a bit of an exchange of ideas and dialogue on these energy issues.

One of the catchphrases that has become popular among the uninformed is the "use it or lose it" phrase which trivializes an incredibly complex process. It trivializes the importance of an energy policy in this country and tries to reduce, as I said, a complex issue to a bumper sticker. It is demeaning to those in the business. And it demonstrates a fundamental lack of understanding of exactly how the process works.

The idea is that oil companies in these United States, including major oil companies, are somehow warehousing good drillable prospects in the hopes that crude oil will go higher than it already is. Well \$140 plus a barrel is plenty of incentive to drill almost everything in these United

States. I want to walk you through a brief description of some of the things that go on in the development of a prospect, the drilling of a prospect and bringing crude oil to the market.

Now this applies onshore and offshore. The onshore processes are a little quicker because the infrastructure is already in place. The offshore is staggeringly more expensive than the onshore. And it takes a longer time.

The first thing you have to have is an idea of where you think oil and gas might be. You can't just willy-nilly drill in the United States offshore, or anywhere in the world, and expect to find crude oil or natural gas. You have to have a reasonably scientific guess as to where crude oil or natural gas might have occurred. You base that guess on other production in the area. You base that guess on the geologic history of that particular spot in the world. But you have to have some sort of an idea that there might be oil and gas in that place.

Once you come up with that idea, you do some preliminary geological work trying to map what that subsurface structure might look like under where you're trying to drill. You may be able to do some preliminary geophysical work in that process to get this idea to a point where you're willing to invest thousands, hundreds of thousands and millions of dollars. And with respect to offshore, it's billions of dollars of shareholder capital, your money or the bank's money, depending on how you have financed this particular idea.

So you have the idea. You have done the preliminary work. And you say, all right, here is an area where I think there is oil and gas. I need to make a deal, a trade, with the people who own the minerals under that dirt. Now the United States is one of the few countries in the world where individuals own minerals on their property. The government owns a lot of property. It owns those minerals. Private citizens own a lot of property. And they own those minerals, or they have sold those minerals or detached them from the surface rights. But somebody owns those minerals. You have to find all those people. And depending on the size of the block of acreage that you're wanting to put together, it could be one owner. It could be hundreds of owners that you have to make a deal with. So you go through that process.

You finally come to a lease term. Let's do an easy one. The Federal Government owns all the minerals, has all the surface and you have one owner to deal with. You negotiate that opportunity with the Federal Government. The Federal Government then puts the leases out for bid across anybody who wants to bid. Well you have the idea in mind. You think you have nominated that prospect, that acreage for drilling. So you put your bid in. You win that bid. You negotiate that lease. You pay your upfront lease bonus money for the right to then begin spending some real-

ly big dollars on trying to find out what that's done.

Now let me talk a little bit about that lease, because this speaks to the "use it or lose it" nonsense that is currently permeating the debate in this House. This lease is a legal contract between the lessor, the landowner, in this instance the Federal Government, and the lessee. It has specific terms that the lessee has to abide by. One of those terms, of course, is a lease bonus payment typically based on the number of acres. So you put that money up front. It will have a fixed term. Onshore non-Federal lands, it could be 3 years, it could be 5 years. Offshore it's generally 10 years just because of the timeline that my friend will show us here in a minute that it takes to move from point A to point B, selling the crude oil or natural gas off that. So there's a fixed term that you have paid upfront money to. You have the right to explore all of that acreage for the term, for the primary term of that lease.

Now while you're exploring and not producing, you will have to pay annually delay rentals of some negotiated amount just to maintain your position in that lease. Once you have gone beyond that primary term, many leases, most leases, will have what is referred to as a continuous development clause in that you have to continue drilling wells, producing wells, at a fixed rate over some period of time in order to keep the acreage that you have not developed.

If you decide that you have drilled all you want to, then the acreage that is outside your production unit, when you drill an oil well or a gas well, in Texas it's the Railroad Commission that will assign a spacing unit. Oil wells are typically 40 or 80 acres. Gas wells could be 160 or 640 depending on the depth. That is the aerial extent of the land that they think that one well will drain efficiently.

So any acreage outside of that production unit after the primary term, and once you have quit meeting your continuous development clauses, reverts back to the original owner. So if I have leased a 5,000-acre tract from the Federal Government, I've done all the G and G work, drilled it, found production and I know exactly where it is, I don't think the rest of that acreage is worth drilling, then once that primary term of that lease expires, all of that acreage under the terms of the written contract goes back to the Federal Government and can be leased by someone else throughout the process.

Now you say, well, why would you let that acreage go once you have made that decision that you're not going to drill it? Well, A, you have invested a per acre bonus in all of that acreage, B, someone else may come up with the idea that they think there is oil and gas under that. Even though you don't, they may think there is oil and gas under that. You have paid your upfront bonus money. It's your property to deal with during that time frame under

the terms of your lease. So somebody comes to you and says, I think there's oil under this piece of property. You have got the control of the minerals. You don't own them outright. You have them leased. Can I do a deal with you so that I will drill it? That is called a "farmout." I will farm out that acreage and then you put your risk dollars up so I don't release that acreage when it's under the primary term because I have paid for it. I will keep it through the end of the lease. I am making the delay drill payments. Somebody else may have a better idea that there is oil under that place. There is a serendipity kind of thing. You never know when that happens.

Once you have the lease in place, you then begin the complex G and G work that is on the property. Offshore or onshore, you will do additional geological work. You will shoot seismic perhaps, you will evaluate that seismic on 2-D, 3-D, go through a lot of work. In the meantime, while that is going on, you also begin the permitting process that on Federal leases is quite extensive. There are some 29 agencies that may get involved in your ability to drill on the lease that you have already paid for. You have to get EPA permission. You have to get Bureau of Land Management permission. You have to get drilling permits. There are all kinds of things that you have to go on. And all of that takes time. It obviously cannot be done instantly, because some of these permits are piggy-backed. You have to get one before you get the other. Some of them you run concurrently. And all of that work is going on while you are trying to pick the spot you want to drill that first well.

Once you have the permitting in place and you have a reasonable idea of when you can start drilling, you then go through the process of negotiating all those contracts to drill the well. You'll have a contract with the drilling contractor for the rig. You'll have contracts to buy mud. You'll have contracts for logging, other services, casing, equipment, all those kinds of things. You have to get all that gathered up and moving toward your location. Now onshore it's a little easier than offshore but nevertheless, the process is still the same.

You then put your rig up. You set up the rig or rig it up, and you drill your hole. And if you're lucky, one in six wildcat wells will discover oil. There is a little better percentage than that on development wells. But you will then go through the completion process. Once you have got it completed, you will build out the surface facilities, tank batteries, flow lines, all those kinds of things in order to move your product, either gas or crude oil, from that well site into a market.

At that point, you also have to negotiate a contract to sell the product. Now, crude oil is a pretty quick contract. They are very standard. And the product has got a certain quality, and you sell it. Natural gas, on the other

hand, is a little different animal. And the contract negotiations for natural gas take a lot longer.

Once you have got the contracts negotiated and you have all the permissions to drive and do everything you've got, now you're ready to sell that first barrel of crude oil or that first Mcf of gas. And the length of time that can take varies. There's not a standard that you go by, because every single deal is different. Onshore is different from offshore. All the offshore deals are incredibly different than the onshore.

Mr. WESTMORELAND. If I could reclaim my time for 1 minute, could you comment on I believe it's the Atlantis platform and how many years it took and how many barrels a day it's now producing?

Mr. CONAWAY. Yes. In the Gulf of Mexico there is a production platform, a drilling platform, a production platform and a crew quarters platform called Atlantis. It is about 150 miles offshore in the Gulf of Mexico. I don't know if it's technically in Louisiana or Texas. It's 150 miles offshore. It's in 7,000 feet of water. So you have 7,000 feet of water before you hit the seabed. And they have drilled 13,000 feet once they've reached the seabed. So it's about a 20,000-foot well that they have drilled and they have I think five producing wells. This will produce about 150,000 barrels a day. It's rated for 200,000 barrels. Billions and billions of dollars are invested in this floating monstrosity that sits in the Gulf of Mexico and produces crude oil and natural gas. It's an incredible amount of investment. Now if you have invested in Atlantis or if you have invested in a prospect onshore, you get no return on your dollar. You get nothing back from your investment until you sell crude oil and natural gas. And therein lies the misunderstanding by some of our colleagues on the other side of the aisle. There is no juice in sitting on production. At \$140 a barrel, the only way I get my money back out of the investment I have got in this well is if I sell crude oil and natural gas. So I have no incentive to sit on it for any reason because there's no way for me to get money back out of my investment. So there are plenty of good business reasons why the oil and gas is being produced in a commercial properly developed manner.

Mr. WESTMORELAND. But they started the process in 1985.

Mr. CONAWAY. Yes, in the time line. Leases were obtained in 1995. You walk through the step, the first production was September of 2007. The ship was commissioned for full operations in December of 2007, so 12 years of activity that went on in investment, more importantly dollars invested because they had to pay for the building of that platform. The folks who built it didn't say, okay, when you start producing crude oil, you can pay for it at that point in time. They wanted their money up front. And so only major oil companies

have the resources to be able to drill in 7,000 feet of water. The technical aspects of drilling like that, many of them had to be developed on the fly because they didn't know how to do it. Bottom hull temperatures at 20,000 feet are very high. And the ability to maintain casing, maintain well, maintain the down hole structures, they had to figure that out, because no one else had ever done it in the world. So being able to do that is technically very, very complicated.

Mr. WESTMORELAND. And they are doing it in an environmentally safe way? There's been no spill or leakage or anything?

Mr. CONAWAY. Absolutely. Absolutely.

Mr. WESTMORELAND. Just reclaiming my time 1 minute. I would like you to explain just very briefly about the Dallas-Fort Worth airport, DFW, and the fact that this was State-owned property versus Federal property and how quickly that oil was produced out of that site. If you could just touch on that very briefly.

Mr. CONAWAY. Sure. The Dallas-Fort Worth airport is a large facility in between Dallas and Fort Worth. Underlying all of that airport is a formation called the Barnett Shale. Barnett Shale is a gas-bearing formation that the industry has known about for a long, long time. It was not commercially producible on a vertical well bore because the formation would not give up enough gas on a vertical structure in order to be able to make your money back out of what it took you to drill that well. Someone had an idea and said, what if we drill the Barnett Shale horizontally, you know, go down 8,000 feet, and then drill a leg out 3,500 feet to 6,000 feet? I wonder what that would do? They did that. And all of a sudden, they got a commercial gas well.

The estimates are for the Barnett Shale, which is very extensive from the middle of between Dallas and Fort Worth, just north of that area, all the way down toward Waco and out toward Abilene. They don't have the extent of where it's commercially producible at this point in time. But current guesses are that it's 26 trillion cubic feet of natural gas in the Barnett Shale. This is a gas plate that has been there and been known for 50 plus years, maybe even longer than that. But it's only been recently that they have developed it.

Dallas airport sits over the Barnett Shale. So Chesapeake went through the airport authority and said, we want to drill. We want to negotiate those leases. My recollection is they negotiated the lease in 2003 and paid the up-front bonus of \$186 million to drill.

□ 2130

They will drill 303 wells on Dallas airport property. They will use 52 pads to drill those 303 wells, and so obviously each pad will have multiple wells. The royalties will go to the airport. First production began in 2005, and they are now continuing to drill.

Mr. WESTMORELAND. So 2 years on State property versus 12 years on Federal land.

Mr. CONAWAY. To be fair, doing things offshore, 150 miles from shore, is technically much tougher than it is doing it in the heart of an oil-and-gas region like Fort Worth is. So there is a natural difference in time. Some of it has to do with the permitting and all of the other stuff that goes on. But also, it is tougher to drill 150 miles offshore where everything has to be brought out there.

Mr. WESTMORELAND. But there is still a permitting process that I want to talk about. And the very fact when we hear the other side say that it will take 22 years to get anything out of these wells, you are talking about 2 years to get natural gas.

Mr. Speaker, let me say that natural gas was about \$6.60 a thousand cubic feet last year, and it is about \$12 this year. So while we have a lot of Americans feeling the pain at the pump this winter, they are certainly going to feel the pain at home.

I want to point out that this chart takes in the leasing process. And this purple area right here is the preleasing process. The orange is the leasing process, and then the blue is the notice of staking and the green is the application to drill. This is on Federal on shore oil and gas leasing and permitting process. Every time you see one of these red dots here, this is a point of entry for legal action.

And so you can see that this process is a lengthy process. When the majority talks about 68 million acres in the use or lose it, last night as we had an opportunity, Mr. Speaker, to go back and forth for 2 hours with the majority, I think that they admitted that that 68 million acres that they are claiming, and we don't know, Mr. Speaker, where that 68 million figure came from because that was done not by the Bureau of Land Management and Forest Service but by a committee report from the majority in the Resources Committee. So we don't even know how they came up with the 68 million acres.

But the point is that 68 million acres is somewhere in this process. It is somewhere in this process. So the use it or lose it is a very, very misleading statement.

I would like to recognize my friend from Texas.

Mr. CONAWAY. That use it or lose it is like telling General Motors you can only build one car at a time before you can start to build another car.

Oil and gas companies, much like manufacturing companies, have a work-in-process scheme that includes all of these steps. They could have multiple number of prospects in their inventory that they are working diligently on to make that happen. So this use it or lose it phrase, in addition to being demeaning to the process and to the industry, is wrongheaded at best.

Mr. WESTMORELAND. I want to thank the gentleman from Texas.

I yield to the gentleman from New Jersey (Mr. GARRETT).

Mr. GARRETT of New Jersey. I appreciate the gentleman yielding to me, and also appreciate the gentleman for heading up this special order tonight to once again point a finger and a focus on the importance of the discussion of energy. And more important than that, to actually move some legislation through this House before we go into a recess during the August break.

I will be brief because other colleagues would like to speak.

I come, as I said, from the State of New Jersey. This past week I had an opportunity to be on some forums with some of my colleagues from the other side of the aisle where this was an issue that was discussed. One of the points that I made, coming from the State of New Jersey, is just how important it really is that Congress do something with regard to energy and the high price of energy production and supply in this country.

Let me give you a few statistics from an independent source describing the State of New Jersey and our costs of energy. New Jersey consumes 3.4 percent of the Nation's energy. That is 13 percent greater than what the State's share should be based on the State's share of the Nation's population and employment. And that is possibly because New Jersey is one of the most densely populated States. It has been a manufacturing State and otherwise, and for that reason we do draw a high amount of energy for our State.

Currently the State of New Jersey spends nearly \$130 million annually on energy for its various State facilities alone, not talking about private and everything else out there.

Furthermore, an economic survey points out that New Jersey business owners reported that many are concerned, and this is obvious, over rising energy prices. Forty percent of business owners state that over the next 6 months, higher energy costs will have the greatest impact on their business, up sharply from around 20 percent last fall. And because of the higher cost of energy, 43 percent of New Jersey business owners plan to pass along that portion of the cost in the form of higher selling prices to their customers, up from around 30 percent last fall.

So that means on top of the fact that we in New Jersey are paying more at the pump, and on top of the fact that home heating costs will go up dramatically in the area of fuel oil. As a matter of fact, the statistics on that are that New Jersey relies more heavily on petroleum and natural gas for home heating, with 86 percent of single-family homes heated by natural gas and oil compared to the national average of 68 percent.

I raise that point to point out that in my little forums that I was on with other Members from the other side of the aisle, they said, look, we really can't drill our way out of this. Petroleum is not the solution. Natural gas is

not the solution. Conservation and alternative fuels are the solution. Well, I half agree with them. I half agree with them because yes, conservation is certainly one of the solutions; and alternative fuels is certainly the other solution. But it is really a three-legged stool as opposed to a two-legged stool, and that third leg of the stool is additional production of energy here at home in America.

Why this is a controversial topic in the State of New Jersey is because we are a coastal State. I enjoy the New Jersey shore as much as the next guy from New Jersey; and hopefully I will have some time to enjoy the Jersey shore sometime during this August break. But while you sit on the Jersey shore, and this is something that the gentleman from the other side of the aisle whose name shall remain nameless at this point, was factually incorrect about.

As you sit on the Jersey shore, if we are successful as Republicans in this House, and that is to pass legislation as the President has just lifted his executive order just 48 hours ago to allow for drilling on the Outer Continental Shelf, which means deep-sea exploration, and I always say offshore is a misnomer because offshore means you are sitting on the shore and actually seeing it. And that is what my colleague on the other side of the aisle said. He said if we build these rigs, you will be sitting on the shore enjoying your pretzel and your soda and seeing them. That is factually incorrect.

Every piece of legislation that I have supported, and I know the gentleman from Georgia has also supported, has said that we will be doing deep sea exploration, using 21st century technology in the most prudent and environmentally sensitive manner as you can possibly do, and they will be, at the minimum 50 miles, and a maximum up to 200 miles offshore. We all know that if you sit on the Jersey shore, you can't see any further than 20 miles out to sea because of the curvature of the earth. The bottom line is whatever we pass here, it will not be seeable from the Jersey shore. It will not have that detrimental effect on the shore nor on one of our biggest industries, which is tourism in the State of New Jersey.

So I am proud to be one of the few Members of this House from the New Jersey delegation to say that we must do everything possible to bring down the cost of energy for our small businesses, our industry, and our homeowners, for the price of gas in the summer and home heating fuel in the winter, and we must do that by conservation, alternative fuels, and more production of American energy here at home as well.

Mr. WESTMORELAND. I thank my friend from New Jersey, and he is the only member of the New Jersey delegation who has signed a petition that says "I want to lower gas prices for Americans."

It is now my honor to let my colleague from Georgia, Dr. GINGREY, have some time.

Mr. GINGREY. I appreciate the gentleman yielding to me.

Mr. Speaker, I want to follow-on to what my colleague from New Jersey just said. The gentleman from New Jersey was just talking about the need in the northeast and how important it is to homeowners, particularly during the winter season, the cold season, in regard to fuel oil. So many homes, as he pointed out, in that part of the country are disproportionately heated by natural gas and fuel oil.

He talked about the fact that these coastal States along the eastern seaboard, not just New Jersey, but Massachusetts as well, have been in opposition to opening up the Outer Continental Shelf because of all of these environmental concerns and the fact that you are going to spoil the view. As our colleague so rightly pointed out, you can't see oil rigs 20, 50 and indeed even 150 miles offshore, as my colleagues from Georgia and Texas pointed out earlier in regard to the oil rigs in the Gulf of Mexico.

But here is the thing that I want to point out to my colleagues, the folly of what the Democratic majority is presenting to this House tomorrow. Tomorrow, under a rule, a regular bill, they are going to bring up this issue of the Taunton River in Fall River, Massachusetts.

They want to designate this river, and I hope my colleagues can see this poster and see how industrialized and busy and developed the shoreline of I think at least 8 miles of this 20-mile river already is, and they want to make this designation of a Wild and Scenic River.

Now they should have done that 50 years ago, maybe 100 years ago when this river may have been wild and scenic. You can look at it today, and it is anything but scenic. It may be wild, but it is certainly not scenic.

But guess what, it allows them with this designation to deny the siting of a liquefied natural gas plant. And so that means that these tankers with liquefied natural gas that the northeast desperately needs to heat those homes in the winter time, to bring relief to those homeowners who are really struggling. What will they do? They will pass this bill. That means there can be no liquefied natural gas terminals along that entire river, and then I guess the Democratic majority will come back and put more money into the LIHEAP program so people can afford to pay their bills. It is absolutely ridiculous.

I have another poster that I want to show because I think what we are talking about here tonight, when you cut right to the chase, is that the Democratic majority are creating all of these paper tigers. And this business about use it or lose it, I'm not going to comment on that because, thank goodness we have Representative WESTMORELAND and the gentleman from

Texas, MIKE CONAWAY, who has been in the oil business, and to have Members with that expertise explain it to us and the folly of that use it or lose it. If they lose it, who in the world is going to come back and be able to afford to drill these expensive oil rigs, especially offshore. I appreciate him pointing that out.

Look at this poster, Mr. Speaker. Just a little cartoon. I think it is cute, but it is well to the point.

Here's the Democratic leadership asking a question of the administration. "We demand you energy companies do something about these high energy prices." It is the voice coming from the United States Capitol.

The response from the energy companies: "Clean coal?"

And the response back from the Capitol: "Well, that's out of the question."

The energy companies say well, "We can drill in ANWR," that 2,000 acres out of 19 million up in the frozen tundra of the north slope of Alaska.

The response from our Congressional House majority and Speaker PELOSI: "Forget it."

Well, okay, "How about nuclear power?"

The response: "You're joking, right?"

And then finally: "How about offshore?" How about this Outer Continental Shelf drilling for oil and natural gas? Millions of cubic feet, billions of barrels of petroleum.

The response: "Are you crazy?"

So finally you throw up your hands and say, "Huh?"

And they say, the response: "Well, don't just sit there, do something."

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Don't just sit there, do something. Well, I am going to tell you, the Republican minority wants to do something. The Republican minority wants to do a lot of things. The Republican minority hopefully soon to be the majority, when we tell the American people and show the American people that we want to do something in a comprehensive way, and we want to get it done before we leave here for any kind of August recess. We are making that pledge, and that's why I am proud to be here tonight with my colleagues. I know that others want to speak, and time is short.

But I hope that people will listen. I hope that our colleagues are listening. I know that there are Democrats who want to vote and support a comprehensive approach to this. There is some give and take. We can do this in a bipartisan way. But this business of use or take a little oil from the Strategic Petroleum Reserve, which would—all of that oil, that 750 million barrels that we have in reserve, if the Middle East cuts us off tomorrow, that would be exhausted in 60 days. That's why we don't tap that, just because we want to bring down the price of oil.

I yield back to my colleague.

Mr. WESTMORELAND. I want thank my colleague from Georgia. Now I want

to recognize my other colleague from Georgia, another doctor, seems like we have a lot of doctors in our delegation, but my friend from Georgia, Dr. PRICE.

Mr. PRICE of Georgia. I thank my colleague from Georgia.

Dr. GINGREY, the two posters that he showed—because I think that the Taunton River, wild and scenic river poster that he showed, demonstrate the contortion to which the Democrat majority will go to not, to not increase supply of fuel, of fossil fuels for the American people, the contortions that they will go through to try to make certain that people pay more at the pump and have to pay more for heating their home in the winter. It is truly astounding.

We believe in a comprehensive solution. We don't believe in just one thing. We don't believe in just conservation, we believe strongly in conservation, but not just conservation. We don't believe just in alternative fuels, we believe in alternative fuels without a doubt, but we don't believe in just alternative fuel. We believe also in increasing supply, because, as my friend knows, we believe in the laws of economics.

The law of supply and demand is a law. That's why they call it a law. When you increase supply, you decrease cost, and that's what the American people know. That's why the American people are so supportive of the efforts that we are trying. Seventy-six percent support increasing oil drilling in the United States immediately, 76 percent.

A year ago, that wouldn't have been that number. In fact, it might have been 25 percent, absolutely the reverse, 73 percent favor—said they favor offshore drilling for oil and natural gas immediately, 73 percent. Sixty-eight percent said they supported increasing exploration for oil and natural gas immediately.

These are the American people who understand and appreciate that when the price goes up that one of the ways to bring down the price is to increase the supply, increase the supply.

Mr. WESTMORELAND. Just reclaiming my time for a minute, it's a shame that that 73 percent of the American people that my friend from Georgia commented on will never get to see a vote on this House floor, never get to see a vote on this House floor if the process remains the same.

We heard from Speaker PELOSI yesterday, and her intention is to keep the process the same, closed rules and suspension bills.

So that 73 percent that is saying, hey, drill here, drill now, drill in my backyard, wherever you got to drill, we need to bring down the price of gas, they will never get to know how their Congressman feels about that, because we will never have an opportunity.

I yield back to my friend from Georgia.

Mr. PRICE of Georgia. Many of my constituents ask me, well, why won't

you have an opportunity to vote? They don't understand, they think that back in the fourth grade and the sixth grade when they learned about how Congress works, and they thought that votes just happen on the floor of the House whenever there was a bill that was introduced. Well, the challenge that we have is that the majority party, the Speaker, determines whether or not a bill gets a vote on floor of the House, and the Speaker will not allow a vote on this.

That's all we are asking. We are not asking to game the system, to tell us what the result is going to be. We will let every Member vote, all 435 Members, let them vote. That's all we are asking. Let's vote for the utilization of deep sea exploration for oil, on-shore exploration for oil, use of oil shale, clean coal technology, increasing refining capacity, increasing energy for Americans.

That's what we would like to see a vote on the floor of this House, and I know that's what the American people want to see. I am so pleased to be able to join my colleague from Georgia tonight and the leadership that he has shown on this issue.

Mr. WESTMORELAND. I want to thank my friend for that.

You are right. What the Republican message has been is all of the above. You know, we believe in conservation. We believe in renewable energy. We believe in wind and solar, but we also believe in the new technology that's environmentally safe that we can use to drill in these deep-water areas of the Outer Continental Shelf that we can use to get shale oil out of the ground in the western States, which this Congress, in May of 2007—and I don't have the chart up here with me tonight—but in May of 2007 is when the speculation market shot sky high on the price of oil because they saw that night in May when Mr. UDALL's amendment was passed that said we could no longer drill or mine for the shale oil in the western States where there are 2 trillion, 2 trillion with a T, barrels of oil.

It is off limits, and I want to say that H.R. 6, which was passed by this body, under a closed rule, which means there was no amendments, no amendments allowed whatsoever from the minority, that they passed it. We called it the no-energy bill. At the time it was passed, gas was about \$2.25 a gallon.

I want to read one comment that was made, this is on January 18 of 2007, H.R. 6. "It is sad to see the Republicans come to this. Now they are laughably saying that this will lead to higher prices." That was Mr. DEFazio from Oregon, and this was on the Democrat energy bill.

We said then that it will lead to higher gas prices, and we were right. What we are saying now is let's look at all the measures, all the measures. We heard my friend from Texas say, in a 2-year period they were getting natural gas out of the wells at the Dallas airport. This can happen, but in order to

happen, we have to get out of the fetal position. We have to get out of that political correctness mode and do what's right.

In order to do what's right, we need to have an open-rule bill come to this floor so all 435 Members of this body can have some input and all Americans can be represented in this body and it not just be a closed place. Let me say this, when the process is broken, the product is flawed.

This process is broken. We ask the majority—we ask the American people to help us create an open process so all views can be put out. Then all of the above that uses all the tools in our tool chest can be used to lower the price of gas and energy for the American people.

With that, Mr. Speaker, I yield back the balance of my time.

ENERGY PRODUCTION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Iowa (Mr. KING) is recognized for 60 minutes.

Mr. KING of Iowa. Mr. Speaker, I appreciate being recognized this evening to address you here on the floor of the United States Representatives, the world's most deliberative body and the one that's supposed to be the most representative of people.

We are here tonight, a lot of Americans, yourself included and myself included, also, have heard from this group of gentlemen who have spent the last hour talking about energy. We are looking at gas prices that are \$4.08, \$4.10, \$4.11.

We are looking at gas prices by my data that shows that the gas was \$2.33 a gallon when Speaker PELOSI took the gavel here about the 3rd day in January of last year. We have watched gas go from \$2.33 to \$4.10 or \$4.11.

That chart that I saw earlier that showed the gas prices and what they were when the Republicans took control of Congress and how we held that increase in gas prices down, but when the Speaker of the House took the position that we were going to have lower gas prices and an effective energy policy, we are still waiting. We are still wondering what that was.

I do know that there has been a lot of noise from this side of the aisle about windfall profit taxes. I do know there has been a lot of noise about looking into the speculators on the hedge funds, on the futures markets. There has been a lot of noise about alleging that oil and gas-generating producing companies, are dishonestly or deceptively making unjust profits, that Exxon has made \$10 billion a quarter totaling \$40 billion a year. People on your side of the aisle seem to they think that we should go back and slap an after-the-fact tax on companies that are pouring energy into this marketplace.

I remember, one of the more senior United States senators making a public

statement here a couple of months ago, that 85 percent of the oil on our market actually comes from countries that are sovereign countries that have nationalized their oil industries. So the oil belongs to countries like Saudi Arabia, Venezuela, Iran, countries where it's not private companies, but it's countries that own 85 percent of the oil that is imported into this country.

It's not the fault of Exxon, it's no fault of Chevron, it's not the fault of a lot of our good American companies that we have. It's a number of circumstances all put together, but the sovereign nations that have nationalized their oil industries, that are marketing it to us, have a lot bigger share of this. They can control and get together and do control, under OPEC, the supply of the oil. The demand is going to be in proportion to that that is necessary and in proportion to the price. Supply and demand is going to control the price of this oil.

Another component that is not discussed very much—and I don't know that it was mentioned in the previous hour—is our weak dollar. Our dollar has declined significantly in value, especially since about the 2003, 2004 era. The more the dollar declines, the more dollars it takes to buy oil from foreign countries. So if 85 percent of the oil that's available in this marketplace come from foreign countries, owned by foreign countries, and we have to send U.S. currency there in order to purchase that oil, and we get this imbalance of trade, this imbalance that is someplace in the neighborhood of \$700 billion a year—not all of it oil by any means—the weak dollar contributes to the cost of our gas.

I don't want the public to lose sight that the weak dollar contributes to the high cost of all of our commodities here in this country. For example, if you do the calculation on what it would take to dial the value of our dollar back to what it was to shore up the value of the dollar to those values of 2003, 2004 era, that's about 35 percent of the purchasing power that has drifted away as the value of dollar declines.

We bring it back to that level in proportion to the commodities that we are looking at today. We would see about 35 percent come out of the price of gasoline.

Let me just say off the top of my head, my calculus would be been this, that if you have \$4.10 gas and 35 percent of that is a weaker dollar, if we could shore up the value of the dollar, gas will get dialed back down to around maybe \$2.65 to \$2.70 in that area. I am for doing that, but in the meantime, while we are doing that, we also understand that the demand for fuel worldwide has gone up.

It stayed fairly flat here in the United States, hardly increased at all. But in China it has increased by a third, 32 percent increase in the demand for gasoline in China, for example.

It has gone up as well in India. We lose sight of the fact that the increase