



NEWS

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Far-Offshore Drilling Legislation Earns Praise Will Benefit Taxpayers, U.S. Economy, Natural Gas Spokesman Says

(Washington, DC) Bipartisan legislation introduced Thursday evening opening vast portions of the ocean to far-offshore drilling has earned high marks from the Natural Gas Supply Association (NGSA), a trade group which represents the major producers of natural gas in the United States.

"If the technical details are as clean as they look upon our first reading, this bill will benefit American taxpayers and boost the U.S. economy," said R. Skip Horvath, president and CEO of the Natural Gas Supply Association.

The legislation, sponsored by U.S. Rep. John Peterson (R-PA), would allow companies to drill in an environmentally sensitive manner no closer than 25 miles from shore.

"Even in the face of hurricanes, modern recovery technologies have demonstrated our industry's ability to protect our shorelines," Horvath said, "and at 25 miles out, if you stood on the beach, you couldn't see the nearest drilling rig."

He noted that when Hurricanes Katrina and Rita hit in 2005, some offshore platforms experienced 5 to 6 hours of sustained winds of 170 miles per hour. Production was shut down and safety valves were activated as personnel evacuated. "The safety systems worked and there were no spills to cleanup," Horvath said.

He added that at least 250 trillion cubic feet (Tcf) of recoverable natural gas is estimated to lie under the Outer Continental Shelf (OCS).

"With calls to power cars and trucks with natural gas, opening up the far-offshore areas for natural gas exploration and development makes a lot of sense," Horvath said.

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**“Far Offshore” Drilling Legislation Will Benefit Taxpayers,
U.S. Economy, Natural Gas Spokesman Says**

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The U.S. Minerals Management Service reports that offshore areas now open to development in the Gulf of Mexico have produced over 163 Tcf of natural gas. U.S. taxpayers have received more than \$156 billion in royalties from oil and natural gas products, and states have shared in the earnings through revenue-sharing programs such as the Land and Water Conservation Fund and the National Historic Preservation Fund.

According to Rep. Peterson’s office, opening up America’s coastlines in the Atlantic and Pacific to offshore development could provide as much as \$2.6 trillion in royalties and other payments.

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