

Congress of the United States
Washington, DC 20515

May 21, 2012

The Honorable Barack Obama
The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

In light of recent reports that G8 countries may seek to draw down reserves to combat pending oil shortages resulting from Iranian oil embargoes, we implore you to consider coupling a release of our national reserves with a longer-term solution to counter market instability and rising gas prices.

The combination of a potential oil supply disruption resulting from a European Union embargo of Iranian oil in July, along with U.S. sanctions against Iran scheduled to go into effect in June is concerning. Reports indicate that the G8 leaders “stand ready” to call on the International Energy Agency to do what is necessary to ensure proper international oil supplies – implying a possible release of reserves to combat high crude prices. While this may be a necessary step, it should not be the only action taken by this administration to avert a supply crisis.

Mr. President, our nation cannot afford to rely on reserves each time there is a disruption if it is not coupled with an increase in domestic supply. What is more, with the loss of the royalty-in-kind program, we have no way of replacing these reserves.

We agree with the experts. This country must ensure our market is protected once these sanctions go into effect. However, a short-term fix is not protection; it is irresponsible.

The House is currently considering a bill that would offer an additional solution to the problems we foresee once sanctions take place. We encourage you to support H.R. 4480, a bill that would trigger an increase in leases to drill for oil on public land if there is a drawdown of the Strategic Petroleum Reserves (SPR). The bill does nothing to impede your ability to draw down the SPR, but simply says if this administration chooses to do so, a plan must be in place to ensure we can quickly find ways to explore and develop our nation’s energy resources.

With only three percent of all federal land, on and offshore, leased for production to date, and a 14 percent decrease in production on federal lands in 2011, there is more we can be doing to protect our nation from serious events that threaten our markets, our livelihood, and our national security.

Mr. President, we commend you for following through with sanctions against Iran. We now implore you to find ways to supplement a draw down from the SPR.

Sadly, our world is not getting any safer as evidenced by the discussion at hand. Further, these sanctions threaten to destabilize the world's oil markets and send gas prices sky high once again. Thus, quick and firm action, along with long-term planning must be our strategy.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cory Gardner", written over a horizontal line.

Cory Gardner
Member of Congress (CO-4)

A handwritten signature in blue ink, appearing to read "Ed Whitfield", written over a horizontal line.

Ed Whitfield
Chairman
Energy and Commerce Subcommittee on Energy and Power