



May 2, 2025

The Honorable Bruce Westerman
Chairman
US House Natural Resources Committee
202 Cannon House Office Building
Washington, DC 20515

The Honorable Jared Huffman
Ranking Member
US House Natural Resources Committee
2330 Rayburn House Office Building
Washington, DC 20515

Re: AXPC Support for the legislative proposals to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2025, H. Con. Res.14.

Hon. Chairman Westerman and Ranking Member Huffman:

The American Exploration & Production Council (AXPC) appreciates this opportunity to provide this letter of support for the above-referenced legislation. AXPC is a national trade association representing the leading independent oil and natural gas exploration and production companies in the United States. AXPC companies support millions of Americans in high-paying jobs and invest a wealth of resources in our communities. Dedicated to safety, stewardship, and technological advancement, our members strive to deliver affordable, reliable energy to consumers while positively impacting the economy and the communities in which we live and operate.

As part of this mission, AXPC members strongly support the empowerment of American energy production. America's energy independence isn't just a policy goal - it's a cornerstone of our national security and economic strength. Our members' commitment to expanding domestic energy production aligns with America's current energy dominance priorities.

AXPC member companies produce more than half of U.S. onshore production each year, including many active operations developing federal minerals that require compliance with federal laws administered by the Department of Interior (DOI), which includes working with the Bureau of Land Management. Our members work hard every day to fulfill our obligations to develop oil and gas resources prudently and responsibly on public lands. Federal oil and natural gas exploration and production activities contribute billions of dollars to federal and state governments, support millions of jobs and local economies, and are conducted under some of the most stringent safety and environmental regulations in the world.

AXPC writes this letter in strong support for the legislative proposals to comply with the current reconciliation directive. These provisions would significantly enhance America's energy security while generating substantial revenue for the federal government through common-sense reforms to our federal leasing and permitting processes. Notably, DOI already has the discretion to make many of these changes itself; however, in past years the agency has used its discretion to decrease

domestic energy production – resulting in significant threats to American Energy Security and leaving untapped revenue potential that is needed to help reduce the deficit.

The bill also wisely addresses policy changes that will prevent future agencies from using their discretion in a manner that discourages investment on federal lands. By restoring important flexibility in the leasing process, these provisions would help restore the competitiveness of federal lands compared to state and private alternatives.

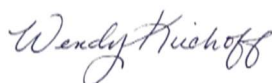
The data clearly demonstrates the potential for increased revenue through robust federal lease sales. In 2018, when quarterly lease sales were consistently held, the federal government generated \$1.15 billion in revenue—nearly eight times more than the \$150 million generated in 2014 when sales were limited. By clarifying the Bureau of Land Management's obligations and establishing clear parameters for lease sales, this legislation would help ensure consistent revenue generation while providing certainty to American energy producers.

The bill's permit-by-rule (PBR) provisions represent another crucial reform. Currently, companies face processing times averaging 305 days for drilling permits, with some BLM field offices taking nearly two years. This legislation would streamline the process while maintaining environmental safeguards, allowing companies to begin operations after registering and certifying compliance with established criteria. This approach has proven successful at both EPA and state levels.

Additionally, the proposed reforms to federal permitting requirements for non-federal lands and commingling regulations would significantly reduce unnecessary bureaucratic hurdles. Modern measurement technologies now enable accurate production tracking without overly restrictive requirements, as demonstrated by states like New Mexico. These changes would encourage development sooner, increasing investment in federal minerals, while also ensuring fair returns to taxpayers.

These reforms are about maximizing federal revenue by strengthening America's energy security through increased domestic production. AXPC strongly urges you to support these provisions in the reconciliation bill. They represent a balanced approach that would benefit American taxpayers while enhancing our nation's energy security.

Sincerely,

A handwritten signature in cursive script, reading "Wendy Kirchoff".

Wendy Kirchoff
Senior Vice President of Policy
American Exploration & Production Council
www.axpc.org