United States Senate

WASHINGTON, DC 20510

May 6, 2009

Secretary Ken Salazar
US Department of the Interior
1849 C Street NW
Washington, DC 20240

Dear Secretary Salazar:

We write with an urgent request for action to address a recent court ruling that holds significant potential to negatively impact U.S. energy security.

An April 17th decision by the U.S. Court of Appeals for the DC Circuit vacated and remanded the 2007-2012 5-Year Outer Continental Shelf Oil and Gas Leasing Plan. We strongly urge you to respond to the court's ruling in an expedited manner to ensure that ongoing activities in the Gulf of Mexico and Alaska are not unnecessarily disrupted.

The potential impacts of this court decision, if it is not addressed in an expeditious and responsible manner, could be severe. Future lease sales could be canceled or postponed, and federal and state governments will forego the significant job creation and substantial revenues generated by offshore oil and natural gas production. Additionally, seven lease sales have already been completed under the 5-Year leasing program vacated by the Court. Those lease sales resulted in the issuance of over 2,000 leases and $10 billion in bonus bids to the government. Unless the Interior Department addresses this issue immediately, the government risks the loss of these revenues. Worse, new domestic energy projects could be stalled or halted – impacting jobs, the economic viability of U.S. companies, and domestic energy supply at a time when the economy is fragile and government budgets are strained.

Federal, state, and local governments across the United States continue to battle budget shortfalls as a result of the on-going financial crisis. This court decision jeopardizes an important source of non-tax revenue—in 2008 alone, a record $23.4 billion was distributed from both onshore and offshore energy production. Our nation also needs this important source of oil and natural gas to meet domestic energy needs. Offshore areas currently account for roughly 20% of our domestic oil and natural gas production. According to the USGS and MMS, 50% of undiscovered oil resources and 36% of undiscovered natural gas resources lie offshore. The energy supply crunch of only a few months ago serves as a reminder of our need to develop domestic resources now, in order to fuel future economic growth.

Offshore oil and natural gas can and should be developed in an environmentally responsible manner. However, our federal government must make certain it does not allow those who oppose any and all domestic production to jeopardize one of the most important programs for oil and natural gas development in the United States—the 5-Year OCS Leasing Program.

The recent court decision must be handled in a responsible and expeditious manner, in order to continue this vital federal leasing program without delay, as well as to protect the 2000-plus currently held leases and continue exploration and production activities on these leases. Given the urgency of this request, please respond with your intentions as soon as possible. Thank you for your consideration of our views.

Sincerely,

Mary Landrieu

Lisa Murkowski

Mark Begich

John McCain