

To the Editor – Op/Ed:

A warning to the American people: If President Obama slaps the wrists of ‘Big Oil’ with his 2010 budget plan, he’ll end up destroying ‘Little Oil.’

By ‘Little Oil,’ I mean regular folks with pick-ups instead of corporate jets, who provide the foundation of our energy independence by producing oil and gas from American soil. Not to mention, the 8.5+ million American royalty owners whose financial security depends on those domestic wells.

The proposed 2010 budget from President Obama will most certainly cost thousands of good-paying American jobs; dramatically reduce domestic oil and natural gas production; cause premature plugging of “marginally” producing wells; and drive YOUR energy costs through the stratosphere.

The Obama Administration seems determined to eliminate America’s oil and gas industry by proposing to remove virtually *every* tax credit and incentive for exploration and drilling (*some have been in place since 1913*).

The vast majority of domestic oil is produced by small independent companies – not Big Oil. These producers depend on investors to provide the capital needed to drill and develop new projects – they don’t have deep pockets like the major multi-nationals whose profits mainly come from overseas.

President Obama has stated we need to invest, instead, in renewable non-fossil forms of energy – force-feeding Americans into the use of alternative energies *now* -- even though he knows these technologies are years, perhaps decades, from being ready. So how do we fuel our country in the meantime?

Today, solar and wind represent just **0.42%** of our total energy consumption. Let’s double that number. Now double it again, to 4 times today’s number of windmills and solar panels -- something we believe to be very ambitious. You now have solar and wind providing only **1.68%** of the energy we consume. How, and when, do they plan to replace the fossil fuels which currently fill 85% of the nation’s energy needs?

So, what happens if the Obama “energy policy” is enacted? Most independents will shut down as capital dries up. The economic safety net for marginal wells gets yanked, and those wells will be plugged. Big Oil will be further empowered because they’ll become the only companies still in business. OPEC and other foreign entities will have total control over world market prices and thus control over America’s economic health.

That’s a scary scenario for everyone – not just to folks in the oil and gas business. Destroying an entire American industry to punish the so-called excessive profits of a few is not only economic insanity, but an exercise in futility, since “Big Oil” will always survive in the global market.

And when prices once again go through the roof because we are even more dependent on imports, who will be blamed?

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