



United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, DC 20240

APR 10 2020

The Honorable Mike Johnson
U.S. House of Representatives
Washington, DC 20515

Dear Representative Johnson:

Thank you for your letter regarding the Department of the Interior's (Department) role in ensuring a strong economy and an abundance of American jobs through continued robust energy and mineral development on Federal lands.

From ongoing actions in unsettled global energy markets to the impacts of COVID-19, America's energy producers face unprecedented challenges, which put essential jobs at risk. President Donald J. Trump made clear his intention to restore confidence and stability to our Nation's economy when he signed the recent economic relief package. President Trump supports keeping energy sector employees at work. This includes filling the strategic oil reserves while prices are low. The President supports economic aid to get Americans back to work.

Last week, Secretary Bernhardt talked to Republican and Democrat Governors, Members of Congress, and industry stakeholders about actions that the Department can take. This includes targeted relief from royalties on oil, gas, and mineral operations on public lands and the Outer Continental Shelf (OCS), which are managed by the Department. In general, there is interest in relief that would require a modification of our existing practices.

The Department administers Federal leases on the OCS and Federal mineral leases on public lands and has within its regulations a process that provides for companies to apply for and receive discretionary royalty relief as well as processes through which companies may apply for the suspension of operations or production. These requests may be granted in cases where the operator is prevented from operating or producing on the lease for reasons beyond or outside the operator's control. At this time, it is our intent to continue to use these long-standing regulatory tools.

The Department recommends that such entities submit an application for relief to the appropriate bureau program, if they are interested in obtaining relief.

Sincerely,

Casey Hammond
Acting Assistant Secretary
Land and Minerals Management