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**Accelerating the Pace of Gulf Drilling Permits
Would Provide Big Boost to Nation's Economy**
GEST Launches Back to Work with American Energy! Campaign

Findings from an independent study released today confirm that this nation's economy and energy security over the next decade would benefit substantially from a robust return of oil and gas drilling in the Gulf of Mexico, says Gulf Economic Survival Team (GEST) Executive Director Lori LeBlanc.

"The IHS report provides compelling evidence that by accelerating the pace of federal permitting and re-energizing the Gulf as an economic engine will create American jobs, stimulate the American economy, and produce substantial American energy. This report also demonstrates that this is not just a Gulf issue, it is a National issue; and we are hopeful that it raises awareness of the need to increase the permitting pace to a rate that better reflects the nation's ability to produce energy in the Gulf," says LeBlanc.

Over the past year, GEST has heard from small businesses owners and their employees who have lost their jobs, experienced shortened hours and reduced paychecks, or raided their savings to stay afloat due to the moratorium and now the federal permitting backlog. In an effort to quantify the national economic impacts of the current slow pace of permitting compared to a more streamlined permitting process, GEST commissioned IHS Global Insight (USA) Inc. and IHS CERA Inc. (referred to as IHS) to conduct an independent study, which they entitled, *Restarting "the Engine" — Securing American Jobs, Investment and Energy Security*.

"As Americans now face high gasoline prices, a record federal deficit and a weak economic recovery, everyone should be aware that we are not doing all we can to produce our very own domestic energy in the Gulf," LeBlanc continues. "The current pace at which the federal government is approving plans and permits significantly lags behind industry's capacity to produce American energy and stimulate the national economy. As a result, the United States is missing a tremendous opportunity to stimulate the economy by creating and sustaining jobs, generating tax revenue and strengthening energy security, all a time when this country needs that boost the most," says LeBlanc.

According to the study findings, the total number of exploration and development plans pending approval at BOEMRE has increased by more than 90 percent compared to pre-moratorium levels, with pending deepwater plans in particular up 250 percent. Approvals

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of shallow and deepwater exploration and drilling plans and actual drilling permits are down by more than 85 and 65 percent, respectively. Deepwater permits alone are down by 80 percent.

A more proactive approach for issuing plan and permit approvals would result in 230,000 new or retained American jobs, more than \$44 billion in US GDP, nearly \$12 billion in tax and royalty revenues, and a reduction of \$15 billion in America's bill for imported oil, all in 2012 alone. One third of jobs created would be outside of the Gulf region, in states like California, Illinois and New York. These results demonstrate that Gulf of Mexico energy activity is a national economic driver.

"Now, more than ever, America deserves the dependable source of domestic oil and gas provided by the Gulf of Mexico, and Americans deserve the economic stimulus provided by the offshore energy industry," she concludes. "Clearly, now is the time to get back to work with American Energy."

GEST was founded in June 2010 in response to the federal moratorium on offshore drilling. Since October 2010, when the moratorium was lifted, GEST has served as a facilitator between operators, state government, and the federal government to clarify new exploration and drilling plan and permit requirements, and as an advocate for the full return of economic activity and energy production in the Gulf region. With the leadership of Louisiana Department of Natural Resources Secretary Scott Angelle, GEST has met nearly a dozen times with BOEMRE Director Michael Bromwich on these issues and continues working with the agency at the highest levels.

Building on the findings from the IHS study, GEST is now launching a national "Back to Work with American Energy" campaign to spread the word about the value of a robust energy industry in this nation. An online petition urging President Obama to streamline the permitting process is available at www.GulfEconomicSurvival.org, and the organization is promoting the campaign on Facebook and Twitter. This week, GEST representatives are also on Capitol Hill briefing Members of Congress, their staff and BOEMRE on the HIS study findings.

The executive summary and key findings of the *Restarting "the Engine" — Securing American Jobs, Investment and Energy Security* study can be viewed at www.GulfEconomicSurvival.org.

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GEST is a grassroots organization created in June 2010 to oppose the federal moratorium on deepwater oil and gas drilling in the Gulf of Mexico. Now an independent non-profit group, GEST acts as a liaison between industry and local communities and the federal government in an effort to resolve federal permitting issues that are delaying a return to drilling in the Gulf. GEST is located within the South Louisiana Economic Council (SLEC) on the campus of Nicholls State University in Thibodaux, Louisiana. Website: www.GulfEconomicSurvival.org.