

Industry Threats of Obama's 2009 Budget proposal:

Repeal Expensing of Intangible Drilling Costs – Disallowing the expensing of normal business costs such as fuel, repairs, or hauling supplies makes it more difficult to attract capital for high-risk, cost-intensive operations.

Repeal of Percentage Depletion – Disallowing the depreciation of oil and gas wells as they deplete over time encourages industry to shut down small, less economically viable wells and robs America of their resources. This provision is similar to depreciation in other businesses with physical assets. It help us replace oil and gas assets, just like depreciation helps other businesses replace or repair a building.

Repeal Marginal Well Tax Credit – Ending the credit for wells that produce 15 barrels of oil or less per day (or 90 thousand cubic feet of natural gas or less per day) eliminates one out of every six barrels of oil produced domestically. Together, these marginal wells produce more than half as much crude oil as America imports annually from Saudi Arabia or three-fourths as much as it imports annually from Venezuela.

Repeal Enhanced Oil Recovery Credit – Ending this credit cuts America off from resources that remain in wells as they near the end of their natural lifespan.

Increase Geological and Geophysical Amortization Costs – Increasing the cost of what would be considered research and development in other industries makes it more expensive to locate oil and gas resources and increases the industry's environmental footprint by forcing producers to drill more dry holes.

Repeal of Manufacturing Tax Deduction – Eliminating a provision given to every other U.S. manufacturer increases America's dependence on foreign oil and kills jobs.

Key Democratic Senators who we feel could be educated on how important it is for these threats to not become a reality:

Montana

The Honorable Max Baucus
United States Senate

(202) 224-2651

511 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable Jon Tester (202) 224-2644
United States Senate
204 Russell Senate Office Bldg.
Washington, DC 20510

North Dakota

The Honorable Kent Conrad (202) 224-2043
United States Senate
530 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable Byron Dorgan (202) 224-2551
United States Senate
322 Hart Senate Office Bldg
Washington, DC 20510

New Mexico

The Honorable Jeff Bingaman (202) 224-5521
United States Senate
703 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable Tom Udall (202) 224-6621
United States Senate
B-40D Dirksen Senate Office Bldg.
Washington, DC 20510

Arkansas

The Honorable Blanche Lincoln (202) 224-4843
United States Senate
355 Dirksen Senate Office Bldg.
Washington, DC 20510

The Honorable Mark Pryor (202) 224-2353
United States Senate
255 Dirksen Senate Office Bldg.
Washington, DC 20510

Colorado

The Honorable Michael Bennet (202) 224-5852
United States Senate
702 Hart Senate Office Bldg.
Washington, DC 20510

The Honorable Mark Udall (202) 224-5941
United States Senate
B-40E Dirksen Senate Office Bldg.
Washington, DC 20510

Louisiana

The Honorable Mary Landrieu (202) 224-5824
United States Senate
724 Hart Senate Office Bldg.
Washington, DC 20510

South Dakota

The Honorable Tim Johnson (202) 224-5842
United States Senate
136 Hart Senate Office Bldg.
Washington, DC 20510

Nebraska

The Honorable Ben Nelson (202) 224-6551
United States Senate
720 Hart Senate Office Bldg.
Washington, DC 20510

Alaska

The Honorable Mark Begich (202) 224-3004
United States Senate
825C Hart Senate Office Bldg.
Washington, DC 20510