

## P.O. Box 712 THIBODAUX, LA 70302 www.BayouIndustrialGroup.com

April 8, 2020

The Honorable Donald J. Trump President The White House 1600 Pennsylvania Avenue Washington, DC 20500

Dear Mr. President:

Bayou Industrial Group (BIG) represents 150 businesses, advocacy groups and governmental organizations in the Lafourche, Terrebonne, St. Mary, and Assumption Parishes of southeastern Louisiana, a region that proudly considers itself "America's working coast." Here, we proudly produce the energy that fuels America and our communities are vital in servicing Gulf of Mexico oil and gas production.

BIG and our members appreciate the tremendous economic benefits that offshore oil and gas production contribute to our region and our nation. We also understand too well how reductions in production of American oil and gas has devastating consequences for hundreds of thousands of workers and small businesses along the Gulf. That is why we urge you today to provide immediate relief to help ensure that America's oil and gas industry, local small businesses and our communities survive this current economic crisis and continue to play a critical role in supplying energy, jobs and tax revenue for our nation.

This organization supports the actions requested by the Louisiana Mid-Continent Oil and Gas Association in their letter dated April 2, 2020, namely:

- 1. Immediately suspend or reduce royalty rates for all producers in the Gulf of Mexico.
- 2. Grant a three-year extension of the primary lease term of non-producing federal oil and gas leases in the Gulf of Mexico to any company requesting one on an expedited or automatic basis, and grant or extend Suspensions of Operations (SOO) and Suspension of Production (SOP), to the fullest length allowed by law on federal oil and gas producing leases, or leases determined capable of producing, that have been properly maintained in full force and effect by lessees under applicable regulations.
- 3. Grant an extension of time for the management of Asset Retirement Obligations to offshore operators.
- 4. Consider appropriate mechanisms to ensure critical inactive infrastructure is protected in the event production is shut in due to global crude oil oversupply.

Bayou Industrial Group respectfully urges you to adopt these measures to ensure the survivability of America's oil and gas industry and protect our local communities, workers and small businesses from the disastrous economic consequences brought on by this global economic crisis.

Sincerely,

Jennifer Armand, Executive Director Bayou Industrial Group

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