

Congress of the United States
Washington, DC 20515

June 3, 2020

Ambassador Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Lighthizer:

Thank you for your efforts on behalf of the American oil and natural gas industry as you work to negotiate new trade agreements and increase market access for U.S. energy producers. As you know, U.S. oil and gas producers have suffered tremendously during the COVID-19 pandemic due to the loss of demand and oversupply in the market. A full recovery for the industry will require global oil demand to return to pre-pandemic levels, which we unfortunately do not expect before the end of the year.

We believe that the United States Trade Representative (USTR) has the potential to increase demand and provide some relief for U.S. oil and gas companies through implementation of the Phase One trade agreement with China. You successfully secured an enforceable commitment from China to purchase nearly \$60 billion of American energy products as part of this agreement over a two-year period. However, trade data reported in the first few months of 2020 reveal that China has purchased a very small amount of U.S. crude oil in 2020, while simultaneously increasing its imports from Saudi Arabia and Russia. While we understand that China is broadly on track to meet its commitments under the Phase One agreement, we urge you to continue to pressure China and hold it accountable for all of its commitments.

Specifically, USTR should urge China to buy U.S. crude oil rather than purchasing more crude from countries known for distorting the global oil market. Moreover, as the Chinese government reportedly looks to bolster its oil reserves and capacity, buying U.S. oil and natural gas at record-low prices would help China achieve its storage goals while providing much-needed market certainty and alleviating storage capacity concerns for U.S. producers.

China is the largest consumer of oil outside the U.S., consuming around 14 million barrels per day last year before the pandemic. Because China was the first country to reopen its economy following the outbreak, consumer demand in China should soon return to pre-coronavirus levels. That demand should be met with American oil and natural gas, and we encourage USTR to make this a priority throughout Phase One implementation discussions.

Thank you again for your steadfast efforts to provide vital market access for American energy producers.

Sincerely,



Jodey C. Arrington
Member of Congress



Steve Scalise
Member of Congress



Kevin Brady
Member of Congress



Markwayne Mullin
Member of Congress



Jeff Duncan
Member of Congress



Mike Kelly
Member of Congress



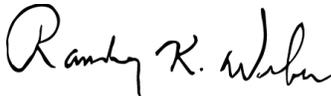
Debbie Lesko
Member of Congress



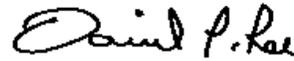
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Member of Congress



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Member of Congress



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Member of Congress



David P. Roe, M.D.
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