
THE TRANSFORMATION OF THE ENERGY SECTOR

ALASKA

Interior to overhaul plans for petroleum reserve

Margaret Kriz Hobson and Kelsey Brugger, E&E News reporters

Published: Tuesday, November 20, 2018



The Interior Department is considering allowing development in the National Petroleum Reserve-Alaska. Bureau of Land Management/Flickr

The Trump administration is rewriting the integrated activity plan (IAP) for the National Petroleum Reserve-Alaska to consider allowing oil development in lands that are now off-limits to drilling and to study the need for special corridors for roads and pipelines throughout the undeveloped reserve.

The Bureau of Land Management is also drafting an environmental impact statement for the 22.1-million-acre petroleum reserve and opening a 45-day public comment period on revising the IAP.

The proposed changes come at a time when oil companies are clamoring for access to potentially oil-rich NPR-A lands that are part of a geological structure called the Nanushuk formation.

The government's plan to rewrite the IAP would target the region around Teshekpuk Lake, which is now protected as critical habitat for polar bears, migrating waterfowl and caribou herds, and for subsistence hunting for Alaska Natives.

This protected region is directly west of ConocoPhillips Alaska's Willow oil discovery, which is estimated to hold between 400 million and 750 million barrels of recoverable oil. The Willow field is located within the Nanushuk formation.

"There are some exciting new discoveries and resource plays that have garnered a tremendous amount of attention," Assistant Interior Secretary for Land and Minerals Management Joe Balash said yesterday in a press briefing.

"We think it's time to re-evaluate some of the areas that were previously left unavailable for leasing as well as open up avenues for infrastructure," he said.

The current management plan for the petroleum reserve, developed in 2013 by the Obama administration, prevents the government from leasing almost half of the NPR-A.

However, pressure to open new areas of the reserve to oil drilling increased last year when the U.S. Geological Survey dramatically raised its estimate of the amount of undiscovered, technically recoverable oil and gas likely to be available in the reserve.

That report estimated that the NPR-A holds 8.7 billion barrels of oil and 25 trillion cubic feet of gas. By contrast, a 2010 assessment concluded that the reserve contained a mean volume of 896 million barrels of oil and 53 trillion cubic feet of natural gas.

According to Balash, "Some of the acreage that is probably most prospective is currently not available for leasing under the current plan. We want to take a look at some of those areas."

But he acknowledged that the Teshekpuk Lake region provides "a home for an enormous collection of waterfowl that migrate through there. It is one of the key sensitivities that we will be working to identify in any associated stipulations that might be attached" to oil development in the region.

"The big question is can we make some of that acreage available in a manner that is responsible and honors the subsistence way of life that the people who live in the NPR-A have lived for thousands of years," Balash said.

Balash added at the briefing that "within the next several weeks" regulators are expected to release a draft environmental impact statement for oil development in the coastal plain of the Arctic National Wildlife Refuge.

"We're very, very close on that, but not quite ready to publish that," he said.

In addition, he noted that BLM is in discussions with the U.S. Fish and Wildlife Service on an application by SAExploration Holdings Inc. and two Alaska Native corporations to conduct seismic studies across the entire 1.6-million-acre coastal plain ([Greenwire](#), May 31).

He said it is unclear whether that seismic work could begin this winter.

Reaction

Environmentalists were disappointed yet unsurprised by the news that BLM is revising the NPR-A management plan. They stressed that the IAP created during the Obama administration was an exhaustive process and feared that the Trump administration's effort would be rushed.

"There is no good reason to gut the Integrated Activity Plan, which protects areas that have been designated as ecologically unique and critical as nesting grounds for migratory birds from all seven continents," Rebecca Noblin, an attorney at Earthjustice, said in an email.

She added that the area is home to caribou herds that many Alaskans living in northwest villages rely on for food sources.

Earthjustice and other green groups in February sued the federal government, objecting to the NPR-A lease sales in 2016 and 2017.

They argued that BLM failed to consider the lease sales' impact on climate change. "Like the rest of the Arctic, the reserve is warming rapidly, damaging its fragile ecosystems," attorneys with the environmental groups argued.

Nicole Whittington-Evans, the Wilderness Society's Alaska director, noted that nearly 27 million acres of Arctic Alaska is already available to the oil and gas industry. And last week, the state of Alaska leased over 220,000 acres of state lands in the region. "This is just another example of this administration's shortsightedness and desire to sell off America's public lands to oil companies," she said.

Representatives from the oil industry were also anticipating Interior's announcement. Kara Moriarty, executive director at the Alaska Oil & Gas Association, noted recent oil discoveries have made it clear that the NPR-A holds far more petroleum than originally anticipated.

"We have new information. We should examine and see if [it] is accurate," she said, adding, "For us, it's a petroleum reserve. For us, taking care of the environment is the standard operating procedure."

Twitter: [@mhobsonenews](#) | Email: mhobson@eenews.net

Advertisement

The essential news for energy & environment professionals

© 1996-2018 Environment & Energy Publishing, LLC [Privacy and Data Practices Policy](#), [Site Map](#), [Contact Us](#)