



# Oppose Drilling in America's Arctic Refuge

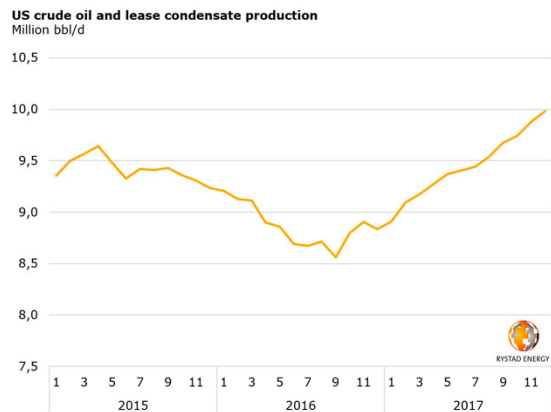
*Opening the Arctic National Wildlife Refuge to drilling would be a highly damaging and unnecessary move*

## The Arctic Refuge is Too Special and Sensitive to Drill

- The Arctic National Wildlife Refuge is one of the last, untouched, wild places in America, and it is rich with birds and other wildlife.
- The Arctic Refuge provides habitat for caribou, polar bears, and over 200 species of birds that migrate through all fifty states and six continents to nest. It also supports subsistence for the Gwich'in Alaska Native people.
- Drilling would irreversibly damage this wild landscape through a spiderweb of infrastructure, and the likelihood of regular oil spills – there is more than one spill per day on average on the North Slope of Alaska.
- We have an obligation to future generations. Because of their resource interests, protecting the Grand Canyon was called a “fiendish and diabolical scheme”, and Yellowstone a “great blow struck at the prosperity” of the region. Failing to protect them would have been a tragic mistake, and one we should not commit in the Arctic.

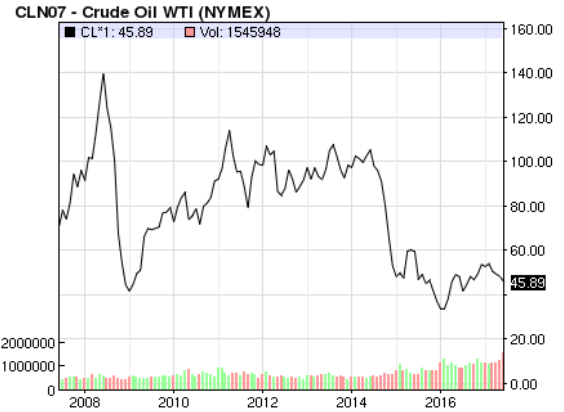
## It's Unnecessary: The Numbers Don't Add Up

- **The U.S. and the world are in the midst of an oil glut.**
  - “US production, fueled by the shale revolution, has skyrocketed in recent years and created a global oil glut that even mighty OPEC is struggling to fix. In fact, the Trump administration has held up the US oil boom as a reason why now is the time to sell off half of America's strategic oil reserve meant to safeguard against emergencies.” ([CNN, 5/25/2017](#))
  - U.S. companies continue to add production, with new rigs added over the past 20 straight weeks ([Reuters, 6/2/2017](#)).



- **The revenue claims and impacts on the budget are out of touch with reality**
  - Generating the revenue from the Senate budget bill would require leasing at prices 40 times greater than recent averages, at a bare minimum.
  - Since 2000, the average North Slope onshore lease bid is \$34 an acre. To generate \$1 billion from the Senate reconciliation instructions, would require leasing all 1.5 million acres of the coastal plain at more than \$1,300 an acre -- and it's unrealistic that the entire coastal plain would be leased.
  - This is irresponsible budgeting, and if the revenue targets are not met, the bill would add to the deficit.
- **Oil prices are near record lows, and drilling in the Arctic is uneconomic compared to other regions**
  - “But there's no guarantee the oil industry will rush up to Alaska if Congress acts. Prices are so low today that it's profitable to drill in few places in the US outside of the Permian Basin, the uber-cheap shale hotbed of Texas and New Mexico. Drilling in Alaska, by contrast, is notoriously difficult and expensive to navigate” ([CNN, 5/25/2017](#)).

- "Industry does not want to drill in those places right now because prices are relatively weak," he said. "The idea that companies would jump at the chance to drill in the Arctic is somewhat of a fantasy." -- Pavel Molchanov, SVP/equity research analyst at Raymond James & Associates Inc ([E&E, 8/4/17](#))
- "Don't look for companies to rush to the Arctic even as Trump seeks to reverse Obama's limits. 'The economics aren't there. You can open up any land that you want, but if you get the socks beat off of you by the Permian, why would anybody go up there and drill.'" -- RBN Energy President Rusty Brazier ([Axios, 8/22/17](#))

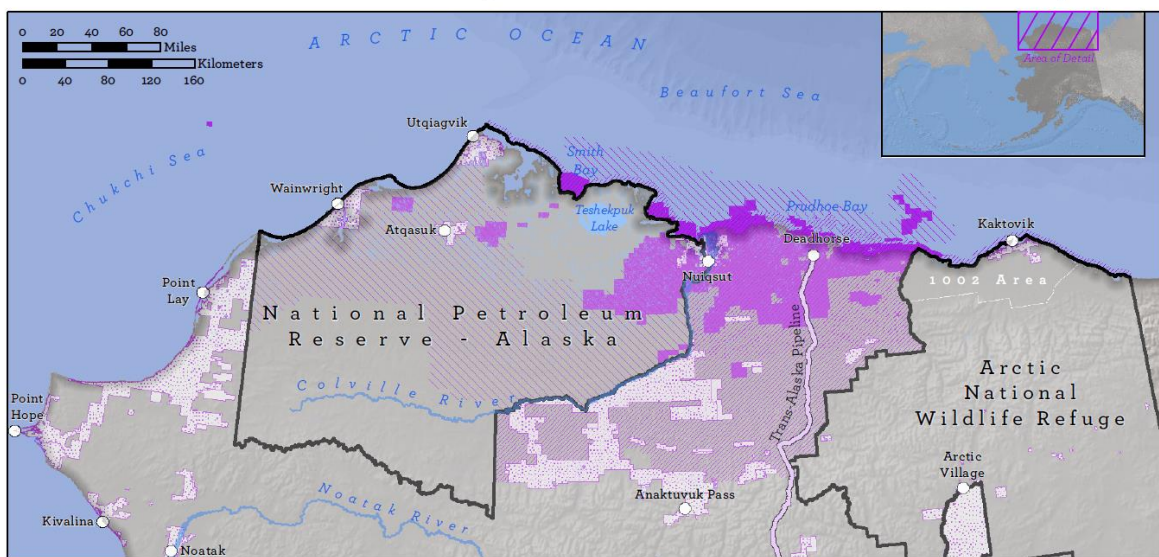


- **Alaska's oil is increasingly exported**
  - 3 million barrels were exported in 2016 ([CRS report, 3/28/2017](#)).
  - Secretary Zinke has [cited](#) exporting more oil as a reason to expand drilling ([DOI press release, 4/28/2017](#)). Secretary Perry has also highlighted LNG exports as central to the energy strategy and has approved new export terminal permits ([Examiner, 6/2/2017](#)).
- **There have been recent significant oil finds in Alaska in areas already open to development**
  - The largest onshore oil discovery in the US in 30 years was recently found on Alaska state lands ([CNBC, 3/10/2017](#)).

## There is Ample Leasing Available Outside of the Arctic Refuge

- Across the coastal plain of Alaska, 66% of the area is open to leasing or already leased, for a total of 10.5 million acres, not including private land.
- In the National Petroleum Reserve-Alaska, 72% of the recoverable oil is accessible and outside of key conservation areas under the Integrated Activity Plan
- Across the U.S., there are 14 million acres of unused leases on federal lands, and less than half of the leased areas on federal land are producing ([The Hill, 5/25/17](#)).

## Oil & Gas Leasing on Alaska's North Slope



- Sold Federal and State Leases
- ▨ Active State Lease Area
- ▨ Active Federal Lease Area
- ▨ Conveyed Native Lands
- Selected Native Lands

Approximate Extent	
State Land (North Slope, North Slope Foothills, and Beaufort Sea Nearshore) <sup>1</sup>	National Petroleum Reserve - Alaska (BLM) <sup>2,3,4</sup>
-3.5 million acres in existing leases	-1.5 million acres in existing leases
-15 million acres in leasing area	-12.3 million acres in leasing area
	-22.8 million acres total area
Arctic Ocean (Outer Continental Shelf; BOEM) <sup>2</sup>	
-200,000 acres in existing leases	
-2.8 million acres in leasing area	

Sources:  
 1: Alaska Department of Natural Resources - Division of Oil and Gas. 2017. <http://dog.dnr.alaska.gov/GIS/DataFiles.htm>.  
 2: Bureau of Ocean Energy Management. 2016. <https://www.boem.gov/Alaska-Cadastral-Data/#GISTable>.  
 3: Bureau of Land Management. 2016. <https://www.blm.gov/programs/energy-and-minerals/oil-and-gas/leasing/regional-leases/alaska>.  
 4: Bureau of Land Management. 2013. NPR-A Final Integrated Activity Plan Record of Decision.