Judge halts petroleum reserve lease sale

By JEANNETTE J. LEE, Associated Press Writer Published 6:05 am PDT Tuesday, September 26, 2006

ANCHORAGE, Alaska (AP) - A federal judge has halted the sale of federal oil leases on a portion of Alaska's North Slope that environmentalists have pinpointed as a haven for migratory birds and calving caribou.

The decision Monday blocks the sale of about 1.7 million acres that the Bureau of Land Management had planned for Wednesday. The sale would have included the Teshekpuk Lake area, which sits above 2 billion barrels of recoverable oil.

Environmental groups have argued that a 600,000-acre section of the reserve at Teshekpuk Lake contains some of the most important wetlands in the Arctic.

The decision by Judge James K. Singleton echoed a decision he had issued on Sept. 7 that temporarily halted the sale. Government environmental studies, Singleton wrote, were too narrow in scope because they did not consider how leasing in the northeastern part of the reserve would affect land and wildlife in the northwestern section of the 23-million acre National Petroleum Reserve-Alaska.

The government is fighting hard put at least a portion of the lease up for bid. The Interior Department had offered last week to temporarily abandon the sale of oil leases near the lake, asking the court to allow the leases outside the Teshekpuk region to proceed.

The ruling expressly forbids the government from selling leases to tracts on the northeast section of the reserve. But the government is consulting with its lawyers to see whether the decision leaves room for sales in the northwest section, according to Danielle Allen, a bureau spokeswoman.

The government plans to redo its environmental impact studies and attempt the sale again, a process that could take more than a year, Allen said.

Plaintiffs, including the National Audubon Society and the Center for Biological Diversity, called the ruling a victory.

"We believe and hope that when the government takes a full look at the environmental impact to this area, it will come out with a decision that protects the resources better," said Deirdre McDonnell, an attorney for Earthjustice.