

## BP oil spill could delay Shell's offshore plans in Alaska

Secretary of the Interior Ken Salazar announced that no new drilling permits would be released until a safety review ordered by Obama is released later this month. The BP oil spill has increased calls by environmentalists for a permanent ban on offshore drilling.

**BY MARK CLAYTON**  
**Staff writer**

The Department of the Interior (DOI) has called a nationwide halt to the granting of any permits for new exploratory oil well drilling, pending the outcome of a 30-day investigation into the cause of the BP Deepwater Horizon oil spill in the Gulf of Mexico.

Standing outside BP's Houston crisis headquarters, Interior Secretary Ken Salazar told reporters late Thursday afternoon that no new drilling permits would be granted prior to the release of a safety review ordered by President Obama. The report is due May 28.

"We are putting things on hold relative to the granting of permits for well construction on the outer continental shelf," Mr. Salazar said, according to the Associated Press.

The move could delay plans by Royal Dutch Shell to drill in arctic waters off the northern coast of Alaska beginning in July. The company's rig - the Frontier Discoverer - is on its way to the arctic along with a flotilla of support ships.

But the start of Shell's drilling depends on the company winning a number of DOI permit approvals - including permission to drill in sensitive habitat occupied by Bowhead whales and other marine mammals. A Shell spokesman told the Monitor Wednesday that Shell fully expected to be drilling in the arctic in July "unless we are told otherwise."

But when questioned by reporters about drilling permits for arctic waters, Salazar said "they will not get those permits until we have an opportunity to complete this review. We will see what lessons we learn between now and then and at that point will make a decision about how we're going to move forward."

The head of the Minerals Management Service, director Liz Birnbaum, in a letter yesterday informed Shell oil company president Marvin Odum that the agency "will not make a final decision on the requested permits for the drilling of exploration wells in the Chukchi and Beaufort Seas until the Department of Interior's report to the President has been submitted and evaluated."

In a separate but related move Thursday, the DOI also announced it would temporarily postpone public meetings on proposed lease sales in federal waters off of Virginia so that information from the presidential review could be included in them.

Industry officials said the government moves made sense given the Gulf oil spill emergency, while noting that it was a temporary step.

"The focus now of industry and government efforts is on the Gulf Coast, as it should be," said Bill Bush, a spokesman for the American Petroleum Institute, in an e-mail. "Our understanding is that Interior's postponement of hearings and some of its other actions are temporary, pending



US Secretary of the Interior Ken Salazar toured the Bon Secour National Wildlife Refuge Wednesday in Gulf Shores, Ala., helping BP contractors install an oil retention boom along the lagoon.

*John David Mercer/AP*

investigation of the Deepwater Horizon incident. We hope once we cope with this unprecedented spill in the Gulf of Mexico, we can move forward to address our nation's energy needs, including its need for additional sources of domestic oil and natural gas supplies."

Environmentalists applauded the delay, but not the temporary nature of the permit pullback.

"The three week time-out is welcome news," said Kierán Suckling, executive director of the Center for Biological Diversity in a statement, "but it is too little, too late. We need a permanent, nationwide moratorium on all new offshore oil drilling."

President Obama, he continued, should rescind his March decision to open up Alaska, the eastern Gulf of Mexico, and the Atlantic Coast to what he called "dangerous, uncontrollable offshore oil drilling."