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First permit OK'd for oil drilling in Alaska reserve

- Michael Winter
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After rejecting the project nearly two years ago, the U.S. Army Corps of Engineers today issued ConocoPhillips a permit to begin work on the first commercial oil well in the National Petroleum Reserve in Alaska, according to news reports.

The corps' decision comes two weeks after the U.S. Environmental Protection Agency and the Fish and Wildlife Service dropped their objections to a bridge and a pipeline the energy giant has been wanting to build over the Colville River to reach its leases in the 23-million-acre North Slope reserve, about the size of Indiana.

In February 2010, the Army Corps rejected Conoco's application on environmental grounds. The permit approved today sets 22 conditions for minimizing the project's impact and requires Conoco to pay into a special fund to pay for "unavoidable" damage to tundra wetlands.

"Today's decision is entirely consistent with the mission of the Corps of Engineers' Regulatory Program, which is to protect the Nation's aquatic resources while allowing reasonable development," Kevin Morgan, regulatory chief for the corps' Alaska District, said in a news release. "It's indicative of a program that is fair, flexible and balanced."



The Colville River in the National Petroleum Reserve in Alaska's North Slope. The U.S. Army Corps of Engineers on Monday issued ConocoPhillips a permit to build a bridge over the river to reach its oil-and-gas leases in the 23-million-acre reserve, plus a drilling pad and a pipeline.

Here's the corps' fact sheet about the permit.

A Conoco spokeswoman said the company plans "to evaluate and incorporate the terms of the permit into our project plan as we attempt to progress to full sanctioning in the coming year," The Wall Street Journal says. The project has been in the works since 2005.

Alaska's Republican governor and congressional delegation hailed the decision.

But Rebecca Noblin of the Center for Biological Diversity in Anchorage called it "another big gift to the oil companies" from President Obama's administration.

"After initially finding that a bridge across the Colville River would not be the least environmentally damaging way for ConocoPhillips to access new oil fields in the NPR-A, the U.S. Army Corps of Engineers has flip-flopped," she said in an e-mail to the Associated Press. "The ConocoPhillips bridge will go up in the heart of a rich ecosystem that harbors a wide variety of plants, fish, birds and mammals, including threatened polar bears and Steller's and spectacled eiders."

On October 2010, the U.S. Geological Survey estimated there were nearly 900 million barrels of oil and 53 trillion cubic feet of natural gas within NPRA and adjacent state waters. The oil estimate was about 90% less than what USGS had projected in 2002.

Despite the revision, as NPR pointed out, that's double the amount the nation extracts from the Gulf of Mexico in a year.

Much more here and here about the NPRA, created in 1923 by President Warren Harding and formerly known as the Naval Petroleum Reserve No. 4.