

AlaskaDispatch

News and voices from the Last Frontier

Shell Oil's exploration plan for Arctic drilling ready for public comment

- Amanda Coyne

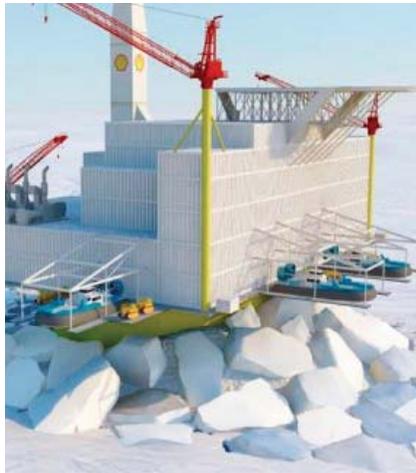
The Bureau of Ocean Energy Management (BOEM) announced Wednesday that Shell Oil's revised exploration plan to drill in Alaska's Arctic Ocean, off of the state's northwest coast, has been accepted and is ready for public comment.

In the plan, Shell proposes to conduct exploration drilling -- three wells per year -- in the Chukchi Sea, beginning in July 2012.

Speaking to a group in downtown Anchorage on Wednesday, Pete Slaiby, vice president of Shell Alaska, called the news "very, very positive."

"There's growing confidence that we would be able to drill in 2012," he said to cheers from the audience, who were attending a natural resource annual meeting.

The company has spent roughly \$4 billion so far on the offshore Alaska prospect -- expected to take place in the Chukchi and the Beaufort seas -- and has yet to drill a single well, Slaiby said. However, he called Wednesday's announcement "a milestone" in Shell's quest to access the billions of barrels of oil estimated by the U.S. Geological



Survey to be in Alaska's Arctic. The company won't know how much oil is beneath the seabed until it begins to drill, but between the USGS estimates and seismic work the company has already done, Slaiby said he was confident enough to call the amount "game changing."

The news by BOEM in no way provides a green light to drill. All it means is that the agency has determined that Shell's exploration plan, supporting materials, and documentation are now ready for the agency to begin a full analysis, which they have 30 days to do.

If the agency then approves the plan, Shell will have to get the roughly 35 permits required for both seas.

BOEM has already approved -- pending the company receives permits -- Shell's plans for exploration in the Beaufort.

The Native Village of Point Hope and a bevy of 12 environmental organizations have appealed that conditional approval to the 9th Circuit U.S. Court of Appeals, however, and likely there will be challenges if BOEM approves the latest exploration plan.

Rebecca Noblin, from the Center for Biological Diversity, an environmental group that's been focused on Alaska's Arctic, said the Obama administration is rushing to drill in the Arctic.

"Lack of oil spill response, huge gaps in information about the Arctic, a massive oil spill in the Gulf of Mexico, and an epic fall storm off the coast of Alaska have done nothing to dampen the Interior Department's eagerness to open the Arctic to drilling," Noblin said.

