U.S. Department of the Interior Minerals Management Service Office of Communications

# **NEWS RELEASE**

**FOR RELEASE:** February 11, 1997

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### MMS IDENTIFIES AREA FOR BEAUFORT SEA SALE 170; EIS TO BE PREPARED

The U. S. Department of the Interior's Minerals Management Service (MMS) has announced the area to be studied for possible inclusion in the next federal outer continental shelf (OCS) lease sale in the Beaufort Sea. Sale 170 is included in the 1997-2002 Outer Continental Shelf Comprehensive Program and is tentatively scheduled to be held in early April 1998. The area under consideration focuses on near shore blocks from east of the Colville River to west of Barter Island.

A draft environmental impact statement (EIS) will be prepared by MMS which will tier off the final EIS prepared for Sale 144. The draft EIS is scheduled to be completed in May 1997. As part of ongoing outreach efforts, MMS held scoping meetings in Nuiqsut, Kaktovik, Barrow, and Anchorage. MMS worked closely with local communities to develop alternatives to the proposal as well as additional mitigating measures to be studied in the draft EIS. In addition, MMS is working with local communities and individuals to blend traditional knowledge into the EIS process.

The area includes 363 blocks encompassing about 1.7 million acres. The area is located 3 to 25 miles off Alaska's arctic coast in the central Beaufort Sea. Water depths in the area range from 25 to 120 feet.

The sale follows closely after Sale 144, held in September 1996. Sale 170 focuses on a smaller area in the central Beaufort Sea. The area is considered to hold substantial reserves of oil. MMS retained for consideration the nearshore area which includes active leases, and which is adjacent to areas where future State natural gas and oil leases are anticipated.

The MMS has conducted 281 environmental, social, and economic studies about the effects of offshore petroleum exploration on the human and marine environment. Of these, 62 are exclusive to the Beaufort Sea Planning Area. MMS has spent more than \$16 million on studies exclusive to the area since the mid-1970s.

There have been six Federal sales conducted in the area since 1979. The MMS has issued 660 leases in the Beaufort Sea; 78 remain as active leases. Lessees have drilled 28 exploratory wells. Nine leases were determined by MMS to be producible although none are currently considered economically feasible.

Copies of the Area Identification map for Sale 170 are available from the MMS Library in Anchorage, or by writing to the Minerals Management Service at 949 East 36th Avenue, Anchorage, Alaska, 99508-4302. Copies may also be obtained by calling 1-(800) 764-2627 or via E:mail at akwebmaster@smtp.mms.gov.

The MMS is the federal agency that manages and regulates the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf, and collects, verifies, and disburses about \$4 billion each year in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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MMS's Website Address: http://www.mms.gov

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## **FACT SHEET**

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## AREA IDENTIFICATION SALE 170, BEAUFORT SEA FACT SHEET

The U.S. Department of the Interior recently selected the area for proposed outer continental shelf (OCS) oil and gas lease Sale 170, Beaufort Sea, to be analyzed in an environmental impact statement (EIS). This action constitutes the administrative prelease step referred to as Area Identification. This fact sheet contains a description of the area to be analyzed, as well as background information relevant to the proposed sale. A description of the prelease process for the proposed sale also is provided.

### **BACKGROUND**

- \* There have been six sales in the area: Sale BF, held December 11, 1979; Sale 71, held October 31, 1982; Sale 87, held August 22, 1984; Sale 97, held March 16, 1988; Sale 124, held June 26, 1991; and Sale 144, held September 18, 1996.
- \* The MMS has issued 660 leases in the Beaufort Sea, 78 of which remain as active leases.
- \* Lessees have drilled 28 exploratory wells. Nine leases were determined by MMS to be producible although none are currently considered economically feasible.
- \* All wells have been permanently plugged and abandoned.

#### EVENTS LEADING TO AREA IDENTIFICATION

- \* Sale 170 appears on the 1997-2002 Five-Year Program.
- \* A Call for Information and Nominations was published in the *Federal Register* on September 30, 1996.
- \* A Notice of Intent to Prepare an Environmental Impact Statement was published in the *Federal Register* on November 8, 1996.
- \* Five companies responded to the Call indicating specific areas of interest.
- \* General comments were received from: the City of Nuiqsut, the North Slope Borough, the Alaska Eskimo Whaling Commission, the Native Village of Barrow, and the U.S. Fish and Wildlife Service.

#### AREA IDENTIFIED

- \* The area includes 363 blocks encompassing about 1.7 million acres.
- \* The area is located 3 to 25 miles off Alaska's arctic coast in water depths ranging from 25 to 120 feet.
- \* The MMS has conducted 281 environmental, social, and economic studies about the effects of offshore petroleum exploration on the human and marine environment. Of these, 62 are exclusive to the Beaufort Sea Planning Area.

### **ISSUE IDENTIFICATION**

The process of identifying issues to be discussed in the EIS was initiated by the publication in the Federal Register of both the Call for Information and Nominations and the Notice of Intent to Prepare An EIS. The Alaska OCS Region will review information provided in response to the Call for Information and the Notice of Intent to Prepare an EIS for the proposed sale. Scoping meetings were conducted in Nuiqsut, Kaktovik, Barrow, and Anchorage, Alaska in preparation for Sale 170.

### FURTHER ACTIONS REGARDING THE PROPOSED SALE

The potential effects of leasing in the area identified will undergo extensive environmental analysis in the EIS. Comments received on the Call for Information and Nominations and the Notice of Intent, and during the EIS scoping process, will be used with existing environmental data to develop alternatives to the proposed action and to design appropriate mitigating measures.

- \* After a draft EIS is issued in May 1997, public hearings will be held. Comments received will be used to develop the final EIS which is planned for release in December mid-1997, along with the Porposed Notice of Sale.
- \* A decision whether to issue a Notice of Sale will be made in early 1998.

The proposed Notice of Sale will present a proposed decision on blocks to offer; what special mitigating measures will be used to protect human, coastal, and marine resources in the area offered; and other conditions and terms that will apply to the leases. The Governor of Alaska will be asked for his recommendations on the size, timing and location of the proposed sale.

The final Notice of Sale will be issued at least 30 days before bids are opened.

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