

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

NEWS RELEASE

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BABBITT ORDERS NEW ENVIRONMENTAL STUDY OF IMPACT OF OIL DRILLING OFF CALIFORNIA; LEASE SUSPENSIONS TO CONTINUE

Secretary of the Interior Bruce Babbitt today ordered an environmental analysis of the impact of oil drilling off the central California coast and ordered suspension for 36 pending leases in the area until the review is finished and until the Department of Interior receives input from California state agencies.

Babbitt outlined his actions in a letter to Sara J. Wan, chair of the California Coastal Commission.

On Aug. 13, Babbitt had granted a 90-day extension of suspensions on the 36 leases, which are overseen by the Minerals Management Service(MMS), an agency of the Interior Department. The 90-day suspension was to permit leaseholders to supply MMS with data about the impact on the environment of proposed activities.

<u>In his letter to Ms. Wan</u>, Babbitt noted that "because the lessees indicate that they will submit new or revised exploration or development and production plans for review, no drilling activity requested in such plans can be undertaken on the remaining leases" pending three steps:

"Completion of an environmental analysis of the potential impacts associated with the proposed activity, including a cumulative impacts analysis that takes into account changed circumstances that have occurred since the original plan approval."

"Disclosure of the lessees detailed plans regarding additional exploration and development activities that the lessees are hoping to pursue, so that authorities and the interested public will have full disclosure of the proposed actions in question."

"The maximum review of such proposed actions allowed under all applicable laws and regulations, including, in particular, review by the California Coastal Commission of whether proposed actions are consistent with state requirements to the extent allowed by the Coastal Zone Management Act."

"Lease suspensions will be granted to allow sufficient time for completion of these requirements," the letter said. The Department of Interior estimates the process will take at least 18 months.

Babbitt noted that "we are taking these actions because they are consistent with our statutory and regulatory responsibilities. They also demonstrate appropriate deference to the concerns expressed by California officials on matters affecting California's environment. The Department shares the Commission's and the Governor's commitment to protect California's marine and coastal environment."