

# MMS Alaska OCS Region

# News Release

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## **MMS to Evaluate Oil and Gas Sales in Alaska's Cook Inlet**

The Minerals Management Service today issued a Call for Information and Nominations and a Notice of Intent to Prepare an Environmental Impact Statement for two Cook Inlet oil and gas lease sales included in the proposed U.S. Department of the Interior 5-Year Program for 2002-2007. The Call seeks information that will help MMS evaluate the sales, and is the first step of the process called "scoping."

Later in January and early February, MMS will hold scoping meetings in communities to gather information and hear what people have to say about the proposal. MMS will also seek information from the oil and gas industry about their interest in exploring in the area.

The area proposed for leasing is located in Alaska's Cook Inlet in federal waters between 3 and 30 nautical miles offshore. The area covers about 2.5 million acres extending just south of Kalgin Island to just northwest of Shuyak Island, in water depths in the area ranging from about 30 to 650 feet. No leasing is proposed in Shelikof Strait.

"The south-central area of Alaska continues to grow and its demand for natural gas is rising. Cook Inlet has the potential to supply natural gas to the area," said MMS Regional Director John Goll. "Companies are now looking for natural gas onshore. We estimate that the offshore potential could exceed 1 trillion cubic feet of conventionally recoverable natural gas. This can contribute an additional option for a long-term natural gas supply for the south-central region."

MMS plans to prepare one EIS for both proposed sales. MMS has written four Cook Inlet environmental impact statements since leasing began in 1977. After the first EIS is completed for Sale 191, MMS will prepare either an environmental assessment or a supplemental EIS and a coastal zone consistency determination for Sale 199. These will focus on any new issues that arise. The public will have the opportunity to comment on each sale proposal.

MMS oversees an extensive environmental, social, and economic studies program that evaluates the impacts of offshore oil and gas exploration and development on the OCS. Currently MMS is sponsoring 9 ongoing studies applicable to the Cook Inlet Planning area including preparation of a sea ice atlas, an assessment of seabirds, an update of the oil industry labor factors, continued contribution to the Alaska Marine

Mammal Tissues Archival Project, and a publication of a synthesis on the socio-economic effects of the oil and gas industry activity on the Alaska OCS.

**Comments must be received by February 14, 2002**, and may be sent to the MMS Alaska OCS Region, 949 East 36<sup>th</sup> Avenue, Room 308, Anchorage, AK 99508-4363; submitted via e-mail to [CookInlet@mms.gov](mailto:CookInlet@mms.gov); hand delivered to the above address, or faxed to MMS at 907-271-6805. Please call MMS at 907-271-6070 or toll-free at 1-800-764-2627 if you have additional questions.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$8 billion last year and more than \$110 billion since the agency was created in 1982. Annually, \$900 million of these funds is legislated for the Land and Water Conservation Fund, which acquires and develops state, local and federal parks and recreation lands. The federal offshore leasing program also provides all of the funding for the Coastal Impact Assistance Program and the National Historic Preservation Fund. Additionally, the State of Alaska receives 27% of all revenues generated as a result of federal leases that lie within 3-to-6 miles offshore the Alaska coast, and 50% of this money goes into the Alaska Permanent Fund Account.

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