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## Secretary Babbitt Defers Alaska's Beaufort Sea Lease Sale 176

Secretary of the Interior Bruce Babbitt announced today that he has deferred proposed oil and natural gas Lease Sale 176 in the Beaufort Sea. The sale was originally scheduled for early 2002. The decision to defer the lease sale was based upon insufficient time to complete a thorough review of an environmental analysis. Statutory obligations require such reviews to occur prior to any lease sale. Areas under consideration for Lease Sale 176 are adjacent to the Arctic National Wildlife Refuge, near Teshekpuk Lake and in areas of Native Alaskan interest. Potential impacts to these sensitive areas need a thorough scientific review.

The Department is obligated to conduct a thorough and complete analysis during the prelease process prior to proposing any lease sale. According to the Department's current 5-year leasing plan, the environmental analysis process needed to conclude prior to June 30, 2002. Although this planning area will not be included in the current schedule, it will be available for leasing consideration by the incoming Administration in its preparation of a new 5-Year Program for the period July 2002 to July 2007.

Federal offshore oil and gas leasing in the Beaufort Sea began in 1979. The most recent sale, Sale 170, was held in 1998. Of the 688 leases issued during that time, 84 of them remain effective. A total of 30 exploration wells were drilled and five discoveries were determined producible.

The MMS, a bureau in the U.S. Department of the Interior, is the federal agency that manages the nation's natural gas, oil and other mineral resources on the outer continental shelf. The agency also collects, accounts for and <u>disburses more than</u> \$5 billion per year in revenues from federal offshore mineral leases and from onshore mineral leases on federal and Indian lands

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