

March 5, 2024

The Honorable Senator Cathy Giessel
The Honorable Senator Click Bishop
Co-Chairs, Senate Resources Committee
Alaska State Capitol
Juneau, Alaska 99801

Dear Co-Chairs Bishop and Giessel,

ConocoPhillips Alaska, Inc. (CPAI) writes in strong support of House Joint Resolution 20 (HJR 20), “*A resolution urging withdrawal of proposed Bureau of Land Management regulations affecting the National Petroleum Reserve in Alaska; and, urging meaningful engagement with tribes, local governments, and affected communities.*”

CPAI supports HJR 20 because we strongly oppose the proposed rule in its current form. The effect of the rule as proposed would likely be the creation of a wilderness area, in practice, for much of the NPR-A, including areas that have already been leased for potential oil and gas development.

CPAI holds 156 leases within the NPR-A, including 82 leases in areas designated as “Special Areas.” CPAI currently produces oil from the NPR-A through wells located on drill sites in the Greater Moose’s Tooth and Colville River Units, and we plan additional NPR-A production in the future from the Willow development in the Bear Tooth Unit, which will have three drill sites when construction is complete.

If finalized in its current form, the proposed rule would significantly and adversely affect future proposals for new activities and developments in the NPR-A. This is an impermissible conflict with CPAI’s existing leases, in which Bureau of Land Management (“BLM”) has granted rights to find and develop oil and gas resources, including building and maintaining necessary infrastructure, subject to reasonable mitigations.

The proposed rule would also constitute a major policy change for the NPR-A that is unsupported by, and directly conflicts with, the Naval Petroleum Reserves Production Act of 1976, as amended. Aside from being unlawful under the statute, the proposed rule would drive investment away from the NPR-A, which is the opposite of what Congress intended when it directed the Secretary of the Interior to adopt an expeditious program of private oil and gas leasing for the NPR-A.

If the BLM continues to support this policy change, the process should involve appropriate consultation, re-proposal of a legally sustainable rule, and a new public notice and comment process. This is required to achieve an updated regulation in a manner that will be legally durable. Despite characterizations of the current rule as merely “administrative,” it is clearly more than that. The BLM’s proposal is a major federal action that would create new (and unlawful) standards and



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would affect leaseholders and their investments as well as the very fabric of North Slope communities and their economies.

Development and production in the NPR-A results in federal, state, and local tax revenues, royalty sharing grants for North Slope communities, jobs and economic growth statewide, and other public benefits. Development is subject to federal and local regulations, and it involves multiple layers of mitigation measures to protect subsistence and other values. When thoughtfully and carefully done, the use of a small portion of NPR-A land can provide outsized economic value and public benefits, with modest environmental impact.

Like many others, CPAI has strong concerns about the BLM's proposed rule, including a lack of meaningful engagement, lack of legal durability, and flawed economic analysis. These concerns are shared by, but not limited to, members of the NPR-A working group, Alaska's congressional delegation, the State of Alaska (SOA), the North Slope Borough (NSB), Arctic Slope Regional Corporation (ASRC), Iñupiat Community of the Arctic Slope (ICAS), Kuukpik Corporation, the City of Utqiagvik, the City of Atqasuk, the City of Wainwright, and The Voice of the Arctic Iñupiat. CPAI appreciates the opportunity to join with this coalition of Alaska stakeholders in support of HJR20.

Sincerely,

A handwritten signature in black ink, appearing to read "Erec S. Isaacson".

Erec S. Isaacson, President
ConocoPhillips Alaska, Inc.