



North Slope Shale Oil Development Update

House Resources Committee

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William C. Barron, Director

Division of Oil and Gas





Project Update

- Great Bear has secured the primary government permits necessary to conduct the year-round exploration and evaluation program as proposed;
- Great Bear is in the process of identifying and securing a rig;
- Additional permits, such as a Permit to Drill from the AOGCC, and arrangements with other parties, such as Alyeska Pipeline Service Company and the Prudhoe Bay Unit, are pending until the rig is identified;
- Great Bear is currently targeting site preparation work beginning between March 1 and April 30, with drilling to begin shortly thereafter.





Shale Task Force Update

- Permitting

- Shale Task Force has determined existing permitting regulations for drilling and facilities are satisfactory
- AOGCC is reviewing hydraulic fracturing regulations

- Future focus

- Permitting Efficiencies
- Engage Federal Counterparts
 - Expected lead federal agency: U.S. Corps of Engineers
 - Additionally: U.S. Coast Guard; National Fish & Wildlife Services; National Marine Fisheries
- Logistics:
 - Infrastructure
 - Gravel and Water Sources





Shale Oil Environmental Data

- Develop inventory of environmental data to support permitting for shale oil development
 - Build inventory of existing available data and determine gaps and requirements for new data collection
 - Develop appropriate data collection methodologies
 - Begin field work, depending on funding
- State will provide this data to NS shale oil developers to document environmental impact statements (EISs) required for federal permits
 - Possibly combining effort with industry in return for open access to data for all shale developers on the North Slope
- Governor's FY13 budget includes:
 - \$1 million for inventory of environmental data
 - \$100,000 for geologic assessment of North Slope shale oil potential

