



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

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January 27, 2021

The Honorable Senator Revak
Senate Resources Chair
Alaska State Legislature
State Capitol, Room 125
Juneau, Alaska 99801

RE: Oil & Gas Activities on Federal lands in Alaska

Dear Chairman Revak:

At present, we have two primary new administrative actions that impact oil & gas activities on Federal lands in Alaska:

1. Department of the Interior Secretarial Order #3395 (01/20/21)

- a. This placed a "60-day" suspension on the authorities of DOI's Bureaus, Offices, and Agencies – limiting authority to act for anyone not in a senior leadership position in an acting or confirmed status at DOI HQ in Washington, DC.
 - i. This means that if a region such as AK had permits, leases, land orders, Resource Management Plans, etc. in the queue to be signed by the existing Bureau of Land Management Regional Director or Solicitor, those could not be signed and would have to be sent to DC for approval/signature by the DOI Acting Secretary (Mr. Scott de la Vega) or other senior DOI leaders.
 - ii. The initial term is "60-days, or until any of its provisions are amended, superseded, or revoked." It is quite open-ended.
- b. In Alaska, this already impacted the final issuance of drilling permits for 88 Energy/Emerald Energy in NPRA, on their leases just north of Umiat. Emerald had already been given their approval to enter onto federal lands for purposes of mobilizing the drilling campaign, pending signature on the drilling permits. This work was halted and over the weekend, the CODEL & others have been working with WH and DOI officials to correct the harm to Emerald/88 and allow the program to continue. DNR is awaiting confirmation that the authorization has been restored and the program can proceed. Public media reported that ~\$3M had been expended on the program (rig contract execution and initial mobilization efforts) and roughly 50 jobs were immediately impacted. Will update as we learn more.
- c. ConocoPhillips is also working their Willow property in NPR-A this winter, undertaking construction activities (roads and pads). All authorizations and permits had already been issued prior to the Secretarial Order.

- d. ConocoPhillips is drilling at Greater Moose's Tooth Unit this winter and are actively drilling now. All permits and authorizations for that work are in-hand, as well. However, any expansion or alteration of those activities would be subject to the moratorium and could be impacted.
 - e. All leases let within the 1002 Area of ANWR were signed prior to the Secretarial Order.
 - f. BLM has not issued a Call For Nominations related to a 2021 lease sale in NPRA. Given that, it is increasingly unlikely there will be a sale this year. There was not a sale last year for the first time in many years.
2. Executive Order on "Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis" (01/20/2021)
- a. This executive order outlines numerous actions to be taken by the incoming administration as it relates to policy on environmental protection, climate change and climate change response, and related rulemaking and plan reviews. Essentially, any action taken by agencies between January 2017 and January 2021 is open to review and amendment.
 - b. Actions like reducing methane emissions in the oil and gas sector, review and restoration of national monuments, and a specific review of the Arctic National Wildlife Refuge oil and gas leasing program and related record of decision are called out in detail.
 - c. Additionally, National Environmental Policy Act (NEPA) permitting changes which were made in 2019 and 2020 will be reviewed and likely amended. DNR and our sister agencies are actively reviewing this EO and compiling list of potentially impacted projects and activities in Alaska. Clearly, we anticipate a flurry of federal rulemaking and other actions which will certainly slow the process of receiving federal permits and authorizations such as NEPA (EIS/EA) reviews.

Commissioner Feige looks forward to discussing this and more in greater detail when we are with the Committee on Wednesday afternoon.

Sincerely,



Laura Ogan Boomershine
Legislative Liaison, DNR

cc: Miles Baker, GOV, Legislative Director