

CS FOR HOUSE JOINT RESOLUTION NO. 4(O&G)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON OIL AND GAS

Offered: 1/21/05

Referred: Resources

Sponsor(s): REPRESENTATIVES HAWKER, Samuels, Ramras, Holm, Stoltze, Lynn, McGuire, Seaton, Chenault, Kelly, Anderson, Wilson, Dahlstrom, Kohring

A RESOLUTION

1 **Urging the United States Congress to pass legislation to open the coastal plain of the**
2 **Arctic National Wildlife Refuge, Alaska, to oil and gas exploration, development, and**
3 **production.**

4 **BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **WHEREAS**, in sec. 1002 of the Alaska National Interest Lands Conservation Act
6 (ANILCA), the United States Congress reserved the right to permit further oil and gas
7 exploration, development, and production within the coastal plain of the Arctic National
8 Wildlife Refuge, Alaska; and

9 **WHEREAS** the oil industry, the state, and the United States Department of the
10 Interior consider the coastal plain to have the highest potential for discovery of very large oil
11 and gas accumulations on the continent of North America, estimated to be as much as
12 10,000,000,000 barrels of recoverable oil; and

13 **WHEREAS** the "1002 study area" is part of the coastal plain located within the North
14 Slope Borough, and residents of the North Slope Borough, who are predominantly Inupiat
15 Eskimo, are supportive of development in the "1002 study area"; and

1 **WHEREAS** oil and gas exploration and development of the coastal plain of the refuge
2 and adjacent land could result in major discoveries that would reduce our nation's future need
3 for imported oil, help balance the nation's trade deficit, and significantly increase the nation's
4 security; and

5 **WHEREAS** domestic demand for oil continues to rise while domestic crude
6 production continues to fall with the result that the United States imports additional oil from
7 foreign sources; and

8 **WHEREAS** development of oil at Prudhoe Bay, Kuparuk, Endicott, Lisburne, and
9 Milne Point has resulted in thousands of jobs throughout the United States, and projected job
10 creation as a result of coastal plain oil development will have a positive effect in all 50 states;
11 and

12 **WHEREAS** Prudhoe Bay production is declining by approximately 10 percent a year;
13 and

14 **WHEREAS**, while new oil field developments on the North Slope of Alaska, such as
15 Alpine, Badami, and West Sak, may slow or temporarily stop the decline in production, only
16 giant coastal plain fields have the theoretical capability of increasing the production volume
17 of Alaska oil to a significant degree; and

18 **WHEREAS** opening the coastal plain of the Arctic National Wildlife Refuge now
19 allows sufficient time for planning environmental safeguards, development, and national
20 security review; and

21 **WHEREAS** the 1,500,000-acre coastal plain of the refuge makes up only eight
22 percent of the 19,000,000-acre refuge, and the development of the oil and gas reserves in the
23 refuge's coastal plain would affect an area of only 2,000 to 7,000 acres, which is less than
24 one-half of one percent of the area of the coastal plain; and

25 **WHEREAS** 8,000,000 of the 19,000,000 acres of the refuge have already been set
26 aside as wilderness; and

27 **WHEREAS** the oil industry has shown at Prudhoe Bay, as well as at other locations
28 along the Arctic coastal plain, that it can safely conduct oil and gas activity without adversely
29 affecting the environment or wildlife populations; and

30 **WHEREAS** the state will ensure the continued health and productivity of the
31 Porcupine Caribou herd and the protection of land, water, and wildlife resources during the

1 exploration and development of the coastal plain of the Arctic National Wildlife Refuge,
2 Alaska; and

3 **WHEREAS** the oil industry is using innovative technology and environmental
4 practices in the new field developments at Alpine and Northstar, and those techniques are
5 directly applicable to operating on the coastal plain and would enhance environmental
6 protection beyond traditionally high standards;

7 **BE IT RESOLVED** by the Alaska State Legislature that the Congress of the United
8 States is urged to pass legislation to open the coastal plain of the Arctic National Wildlife
9 Refuge, Alaska, to oil and gas exploration, development, and production, and that the Alaska
10 State Legislature is adamantly opposed to further wilderness or other restrictive designation in
11 the area of the coastal plain of the Arctic National Wildlife Refuge, Alaska; and be it

12 **FURTHER RESOLVED** that that activity be conducted in a manner that protects the
13 environment, the naturally occurring population levels of the Porcupine Caribou herd, and
14 that uses the state's work force to the maximum extent possible; and be it

15 **FURTHER RESOLVED** that the Alaska State Legislature opposes any unilateral
16 reduction in royalty revenue from exploration and development of the coastal plain of the
17 Arctic National Wildlife Refuge, Alaska, and any attempt to coerce the State of Alaska into
18 accepting less than the 90 percent of the oil, gas, and mineral royalties from the federal land in
19 Alaska that was promised to the state at statehood.

20 **COPIES** of this resolution shall be sent to the Honorable George W. Bush, President
21 of the United States; the Honorable Richard B. Cheney, Vice-President of the United States
22 and President of the U.S. Senate; the Honorable Gale Norton, United States Secretary of the
23 Interior; the Honorable J. Dennis Hastert, Speaker of the U.S. House of Representatives; the
24 Honorable Nancy Pelosi, Minority Leader of the U.S. House of Representatives; the
25 Honorable Bill Frist, Majority Leader of the U.S. Senate; the Honorable Harry Reid, Minority
26 Leader of the U.S. Senate; the Honorable Pete V. Domenici, Chair of the Energy and Natural
27 Resources Committee of the U.S. Senate; and to the Honorable Ted Stevens and the
28 Honorable Lisa Murkowski, U.S. Senators, and the Honorable Don Young, U.S.
29 Representative, members of the Alaska delegation in Congress.