

ALASKA LEGISLATURE COMMITTEE FILES 1985-1986 86/2

3584 HRES HJR 31 - HJR 53 460

INFORMATION NEEDS
SUMMARY ASSESSMENT

Salmon

Need: Comprehensive seaward migration patterns of juvenile salmon of all species.

Monthly survey of near-shore waters to identify habitat of juvenile salmon in coastal bays and lagoons.

Study of ability of juvenile salmon to detect and avoid oil contaminated waters; also chronic low-level affects on juvenile salmon.

Study of degree of interference oil has on adult salmon migrations and avoidance capabilities.

Herring

Need: Study of distribution and abundance of herring in lease area, both near shore during spawning activities and off-shore migration patterns after spawning.

Distribution and depths of larval herring in surface waters after hatching.

Study of impacts of oil contaminants on substrates used for spawning.

Caplain

Need: Study of affects of oil contamination on all life stages of caplain.

Study of distribution and abundance of caplain.

Study of impact on spawning areas of caplain once identified.

King Crab

Need: Study of impact of oil contamination on king crab larvae and juveniles.

Study of potential for hydrocarbon uptake by eggs and juveniles.



UNITED FISHERMEN OF ALASKA

Cass M. Parsons
Executive Director

UNITED FISHERMEN OF ALASKA

RESOLUTION 85-3

WHEREAS the United Fishermen of Alaska is an organization representing individual fishermen as well as 17 member fisheries organizations; and

WHEREAS the UFA is vitally concerned with the use, protection and enhancement of Alaska's fisheries resources and their habitat; and

WHEREAS the Federal government has proposed leasing the Outer Continental Shelf in the area known as the North Aleutian Basin; and

WHEREAS the fisheries resources of the Bristol Bay region and North Aleutian Basin are a renewable resource of extraordinary value to the local fishermen, the State of Alaska, and the United States; and

WHEREAS the UFA has had a long standing concern with protecting the fisheries resources in this region, and has expressed particular concern over the effects which oil and gas development will have on these fisheries; and

WHEREAS the economic value of the fishery will, over the long term, greatly exceed the value of the projected oil reserves in the lease area, and therefore must receive maximum protection; and

WHEREAS both the UFA and the State of Alaska have identified several significant information needs relating to fisheries, marine mammals, birds and oilspill trajectory analyses; and

WHEREAS the UFA believes that this information needs to be addressed prior to any consideration of offshore oil and gas leasing in this region in order for all parties to fully and fairly evaluate the impacts of petroleum exploration and development on the important resources of the region.

NOW THEREFORE BE IT RESOLVED that the United Fishermen of Alaska, supports a 10 year delay in any offshore oil and gas leasing in the North Aleutian Basin; and

BE IT FURTHER RESOLVED that the United Fishermen of Alaska believe that this delay should be used to, among other things, provide time to:

- 1) further develop offshore petroleum drilling and transportation technologies that will ensure safe operations; and
- 2) ensure that oilspill containment and clean-up technologies are further developed, tested and refined so that oilspill clean-up operations will be effective under the weather and oceanographic conditions found in the region; and

3) allow time for sufficient scientific studies to address the important scientific questions which have been identified by the state and by the UFA; and

§ BE IT FURTHER RESOLVED that the United Fishermen of Alaska encourages the State of Alaska, and the Alaska Congressional Delegation to work with all parties and to use all of the powers available to them to ensure that the proposed OCS lease sale No. 92 in the North Aleutian Basin is deferred.

Cass M. Parsons

Cass M. Parsons
UFA Executive Director

Bob Blake

Robert M. Blake
UFA President

7/19/85
Date

7/19/85
Date

Natural Resources Defense Council, Inc.

122 EAST 42ND STREET
NEW YORK, N.Y. 10168
212 949-0049

Western Office

25 KILARNY STREET
SAN FRANCISCO, CALIF. 94108
415 421-6561

Washington Office

1350 NEW YORK AVENUE, N.W.
SUITE 300
WASHINGTON, D.C. 20005
202 783-7800

Mr. Kurt A. Fredriksson
Office of the Governor
Division of Governmental Coordination
Pouch AW
Juneau, AK 99811

18 February 1985

Dear Mr. Frederiksson:

This letter is in response to your request for comments on the Draft Environmental Impact Statement (DEIS) prepared for OCS lease Sale 92 scheduled for December, 1985 in Bristol Bay. Based on our preliminary review of the DEIS and of other documents related to OCS leasing in Bristol Bay, we strongly recommend that the State of Alaska adopt a position opposing federal OCS leasing in Bristol Bay. We base this recommendation on the following considerations.

1. The Value of the Biological Resources of Bristol Bay

According to the U.S. Department of the Interior, the Bristol Bay estuary and the associated continental shelf possess the greatest concentration of birds, fish and marine mammals found anywhere on the North American continent (DOI, 1982). The acreage scheduled to be offered for lease in Sale 92 lies in the heart of this enormously productive region. Indeed, the Sale 92 area contains some of the most important and sensitive habitat

New England Office: 850 BOSTON POST ROAD • SUDBURY, MA. 01776 • 617 237-0472
Public Lands Institute: 1720 RACE STREET • DENVER, CO. 80206 • 303 377-9740

for the biological resources of Bristol Bay. These resources include the following.

3 } Fish: The Sale 92 area contains the major red king crab reproductive site for the Bering Sea (Thorsteinson and Thorsteinson, 1984). The ex-vessel value of the red king crab fishery in 1981 was \$169 million (NOAA, 1981).

Bristol Bay also supports the largest sockeye salmon fishery in the world (NMFS, 1980). Approximately 88 percent of all salmon entering streams around the Bering Sea pass through North Aleutian Shelf waters during migration (Thorsteinson and Thorsteinson, 1984). The total Bristol Bay salmon fishery, valued in excess of \$250 million, is thought to employ 10,000 people. Native villages throughout southwestern Alaska depend heavily on salmon for subsistence.

Finally, the Sale 92 region supports several commercial fisheries for food and bait herring, and there is a potential for capelin to support a future commercial fishery along the north Alaska Peninsula (Barton, et al., 1977).

Birds: The Sale 92 area encompasses one of the world's great bird migration crossroads. Izembek Lagoon, which contains the largest eelgrass beds in the world, is utilized by hundreds of thousands of migrating waterfowl each year. The nutrient-rich lagoons and bays on the north side of the Alaska Peninsula support in various seasons major portions of either the North American or Pacific flyway populations of several species of waterfowl, including black brant, emperor goose, and Stellar's

eider. The coastal areas of the north shore are critical wintering and staging areas for huge numbers of waterfowl and shorebirds. A million birds have been recorded along the north shore of the Alaska Peninsula in fall. (Strauch and Hunt, 1982.)

Marine Mammals: At least 20 species of marine mammals are known to occur in the lease sale area. Approximately 4,000 sea lions, 30,000 harbor seals, 15,000 walrus and 17,000 sea otters utilize Bristol Bay habitats during all or parts of the year (Frost et al., 1983). Virtually the entire eastern Pacific gray whale population, estimated at 15,000 - 17,000 individuals, and approximately 1.2 million northern fur seals (roughly 75% of the world population) migrate through Unimak Pass during their spring and fall migrations (Rugh and Braham, 1979; Leatherwood et al., 1983.)

2. Sensitivity of Affected Biological Resources. The Department of the Interior estimates that one spill of 1,000 barrels or more will occur as a result of Sale 92 (DEIS at IV-B-1). In addition, there is a possibility of a catastrophic (greater than 100,000 barrels) spill (id).

Petroleum hydrocarbons are extremely toxic to a wide variety of organisms at very low concentrations. Oil spills can affect fish by inhibiting growth, disrupting feeding and reproduction, contaminating spawning areas, and blocking or delaying migrations. Direct contact with oil is usually fatal to birds. The pelage of sea otters and fur seals loses its insulative

capacity when oiled, which can lead to death from hypothermia. Grooming oiled fur may result in ingestion of fatal amounts of oil. The effects of oil on whales are poorly understood, but are potentially serious for species of baleen whale, such as the endangered gray whale, that do not feed in wintering grounds and are thus under stress when migrating through Bristol Bay. For fish, marine mammals and birds, elimination or contamination of food sources may result in stress due to reduced food availability or in the ingestion of hydrocarbons, with concomitant effects on behavior and reproductive success.

Prohibiting oil and gas leasing in the area excluded from leasing in Alternative IV in the DEIS will not ensure that oil will not be spilled in sensitive areas or transported to them by winds and storms during critical periods for fish and other wildlife.

In addition to spills, there are other activities associated with offshore oil and gas development that threaten fish and wildlife. Offshore seismic exploratory activity using airguns has been shown to modify the behavior of bowhead whales at distances of 50 km or more (Richardson, 1983). Drilling muds can have acute and chronic effects, particularly for benthic organisms. Formation waters can retain up to 50 ppm of oil as small droplets and up to 35 ppm as dissolved hydrocarbons -- well above lethal concentrations to larval and adult fish and crabs (.01 - 1 ppm) (DEIS at IV-B-2). Blasting, sand and gravel mining, aircraft traffic, cooling water discharge, construction,

and other activities associated with the development of onshore support facilities could result in the abandonment of nesting, breeding or staging areas for birds and other wildlife as well as damage or destroy important salmon habitat.

3. Risks Associated with Development. Within the Bristol Bay uplands adjacent to the sale area, there are 11 active volcanoes; 6 on Unimak Island and 5 on the Alaska Peninsula. The Bristol Bay region is among the most seismically active in the world, with major and minor faults criss-crossing the ocean bottom. Earthquakes are common. Severe weather, frequent fog, winter ice, earthquakes and tsunamis all significantly contribute to a high probability for the occurrence of spills due to platform and tanker accidents. The regional circulation would probably transport oil along the north coast of the Alaskan Peninsula to the head of Bristol Bay. Mean wind direction in the area is either onshore or coast-parallel 9-10 months out of the year. In short, virtually all significant environmental factors would work in consort to increase the probability for and the degree of damage resulting from an oil spill or blowout. The Department of Interior has concluded that the effectiveness of oil spill response capability in the Sale 92 area is unpredictable (DEIS at IV-A-13).

4. Lack of significant hydrocarbon resources. DOI's conditional mean resource estimate for the Sale 92 area is 364 million barrels of oil and 2.62 tcf of gas. This represents 2% of the total U.S. OCS hydrocarbon reserve.* If gas is determined to be uneconomic in Bristol Bay, this figure falls to 1% of the total U.S. OCS hydrocarbon reserve. At 1984 U.S. consumption rates,** the amount of oil in Bristol Bay represents a 23 day supply.

In terms of dollar value, it is clear that fish will contribute more than oil to the economy of the State of Alaska and the nation. Last year, the Congressional Budget Office estimated that a one-year delay in leasing in Bristol Bay would cost approximately \$150 million in lost bonus bids.*** The Department of the Interior estimated that the total cost of a one year delay (the discounted sum of revenues, less the cost of finding, producing and transporting the resource to market) is \$200 million. As noted above, the value of the Bristol Bay salmon fishery alone is estimated at \$250 million and is thought to employ 10,000 people. From an economic standpoint, it is clearly to the advantage of the State to preserve Bristol Bay as a revenue generator through fish rather than oil.

* Using a conversion factor of 5.62 to convert from tcf of gas to billion barrels of oil equivalent (BOE). $2.62/5.62 = 0.466$ billion BOE. $0.466 + 0.364$ billion barrels of oil = .83 billion BOE. Total US OCS BOE = 36.8 billion BOE (DOI, 1983).

** 15.8 million barrels/day. U.S. Department of Energy, Monthly Energy Review. January, 1985.

*** June 26, 1984 CBO memo "CBO's Estimate of Restriction on OCS Leasing."

5. Data Gaps. Substantial data gaps have been identified by MMS, the State of Alaska and the United Fishermen of Alaska with regards to the impacts of oil development in Bristol Bay on red king crab, salmon, herring, capelin, bottomfish, gray whales, fur seals, Steller's sea lions, overwintering seabirds and waterfowl, staging waterfowl, and sensitive coastal and marine habitats. Information is also lacking regarding the capability of current oil spill containment and cleanup technology to cope with spills in the Bristol Bay environment.

Summary

Due to the importance of the biological resources of Bristol Bay, their sensitivity, the hazards associated with oil development, the relatively small amount oil in relation to the richness of the biological resources present, and the lack of information regarding the potential impacts of hydrocarbon development in Bristol Bay, NRDC strongly recommends that the state adopt a position opposing OCS lease Sale 92.

Thank you for considering these comments.

Sincerely



Lisa Speer
Coastal Resource Specialist

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THE ALLIANCE

P.O. Box 100100 / Anchorage, Alaska 99510 / (907) 562-0100

TESTIMONY ON
H J R 31
A
RESOLUTION IN OPPOSITION TO THE SALE OF
OIL AND GAS LEASES IN THE NORTH ALEUTIAN BASIN
(SALE #92)

for the
ALASKA SUPPORT INDUSTRY ALLIANCE

by
Chuck Becker
Director Government Affairs
Brown & Root U.S.A., Inc.

before the
Alaska State
House Special Committee on
OIL AND GAS

10 April, 1985

Alaska Support Industry Alliance

... for responsible economic development

Milton Byrd — President
Frontier Companies of Alaska

Ann Curtis — Vice President
Crowley Maritime

Charles F. Becker — Vice President
Brown & Root, Inc.

William D. Bennett — Secretary
Perkins, Cole, Stone,
Olsen & Williams

Val Molyneux — Treasurer
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Bill Bettes — Director
Pingo Corporation

Randy Goodrich — Director
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Roger Haxby — Director
Waukesha Alaska Corporation

Joe Mathis — Director
Universal Services, Inc.

Walt Ratterman — Director
Pacific Industrial Company

Jack Thompson — Director
Air Van Lines, Inc.

William F. Webb — Director
Arctic Hosts, Inc.

MY NAME IS CHUCK BECKER. I AM THE DIRECTOR OF GOVERNMENT AFFAIRS IN ALASKA FOR BROWN & ROOT, U.S.A. I AM HERE TODAY REPRESENTING THE ALASKA SUPPORT INDUSTRY ALLIANCE FOR WHICH I AM VICE PRESIDENT OF PUBLIC POLICY.

THE ALASKA SUPPORT INDUSTRY ALLIANCE IS A BUSINESS LEAGUE MADE UP OF SOME 200 COMPANIES WHO DO BUSINESS IN ALASKA. OUR MEMBERS PROVIDE EQUIPMENT, SUPPLIES, AND SERVICES TO THE STATE'S OIL, GAS AND MINING INDUSTRIES. WE ARE THE ENGINEERING COMPANIES AND THE CONSTRUCTORS, THE ARCHITECTS AND ATTORNEYS, OIL WELL LOGGERS AND DRILLING FIRMS, CATERERS AND TRANSPORTATION COMPANIES, EQUIPMENT VENDORS AND DIVING FIRMS. WE ARE UNION AND OPEN SHOP - LARGE AND SMALL, JOINED TOGETHER IN AN ALLIANCE TO FOCUS ON PUBLIC POLICY DECISIONS THROUGHOUT THE THREE LEVELS OF GOVERNMENT.

✓ COMPANIES ARE ATTRACTED TO MEMBERSHIP IN THE ALLIANCE BECAUSE EXECUTIVES HAVE COME TO UNDERSTAND HOW PUBLIC POLICY DECISIONS AND ACTIONS EFFECT THE BOTTOM LINE OF PROFIT AND LOSS STATEMENTS. AN AWARENESS IS QUICKLY DEVELOPING AMONG EXECUTIVES AND EMPLOYEES IN THE SUPPORT INDUSTRY AS TO THE IMPORTANCE A HEALTHY AND VIGOROUS PETROLEUM AND MINING INDUSTRY IS TO THEIR OPERATIONS AND SUCCESS. THAT UNDERSTANDING IS SPREADING LESS QUICKLY TO GOVERNMENTAL DECISIONMAKERS, HOWEVER.

IN AN EFFORT TO FOCUS PUBLIC ATTENTION ON THE CRITICAL ROLE THE STATE'S OIL AND GAS INDUSTRY PLAYS IN THE SOCIAL AND ECONOMIC FABRIC OF ALASKA, THE ALASKA OIL AND GAS ASSOCIATION RECENTLY PUBLISHED THE RESULTS OF A SURVEY WHICH DEMONSTRATES THE ENORMOUS BENEFIT THIS INDUSTRY HAS ON ALASKA.

✓ THE SURVEY CONSISTED OF SEPARATE YET INTERRELATED TASKS. FIRST, EACH COMPANY COMPRISING THE STATE'S OIL AND GAS INDUSTRY WAS SENT A FIELD-TESTED SURVEY INSTRUMENT BY DIRECT MAIL; SECONDLY, QUESTIONNAIRES WERE SENT TO 2,460 ALASKA BUSINESSES; FINALLY, OVER 1,000 ADULTS THROUGHOUT THE ENTIRE STATE OF ALASKA WERE INTERVIEWED BY TELEPHONE USING RANDOM DIGIT DIALING TECHNIQUES.

SURVEY RESULTS DEMONSTRATED THAT OF THE 147,000 HOUSEHOLDS IN THE STATE OF ALASKA, 42,960 OR 29 PERCENT OF THESE HOUSEHOLDS HAD AT LEAST ONE MEMBER EMPLOYED DIRECTLY BY THE OIL AND GAS INDUSTRY OR BY A COMPANY IN THE SUPPORT INDUSTRY. MOREOVER, NEARLY ONE-THIRD OF ALL HOUSEHOLD INCOME IN ALASKA IS ATTRIBUTABLE EITHER DIRECTLY OR INDIRECTLY TO THE PETROLEUM INDUSTRY. AN ESTIMATED 138,848 MEN, WOMEN AND CHILDREN ARE DEPENDENT ON THE PETROLEUM INDUSTRY AND ITS SUPPORT COMPANY NETWORK. WHEN ASKED ABOUT THE PERCEIVED EFFECT THE OIL AND GAS INDUSTRY HAS HAD ON THEIR HOUSEHOLDS, ALMOST 80% OF ALL ALASKANS SAID THAT THE EFFECT HAS BEEN POSITIVE.

LOOKING AHEAD, THE INSTITUTE OF SOCIAL AND ECONOMIC RESEARCH OF THE UNIVERSITY OF ALASKA FORECASTS CONTINUED GROWTH IN THE STATE'S PETROLEUM INDUSTRY, WITH PROPORTIONAL GROWTH IN ITS SUPPORT SECTOR, IF THE INTEGRITY OF THE FIVE-YEAR OUTER CONTINENTAL SHELF LEASE SALE SCHEDULE IS MAINTAINED. A GRIM FORECAST OF SEVERE ECONOMIC DISLOCATIONS, RESULTING IN LOSS OF JOBS AND A "MASSIVE DECLINE IN STATE EXPENDITURES" IS DEFINED AS A BASE CASE SCENARIO, IN THEIR RECENT STUDY ENTITLED, "ALASKA STATEWIDE AND REGIONAL ECONOMIC AND DEMOGRAPHIC SYSTEMS; EFFECTS OF OCS EXPLORATION AND DEVELOPMENT". IT IS A SCENARIO OF A DETERIORATING FISCAL CONDITION OF THE STATE COUPLED WITH "RISING TAXES, REDUCED PUBLIC SERVICES" AND A LOSS OF JOBS. YET THE BASE CASE SCENARIO MADE BY THE UNIVERSITY ANALYSTS INCORPORATES OPTIMISTIC ASSUMPTIONS RELATIVE TO OTHER ECONOMIC SECTORS IN THE STATE. THE AUTHORS CONCLUDE THAT ONLY IF THE FIVE YEAR OCS LEASE SALE PLAN PROCEEDS ON SCHEDULE WILL THAT UNHAPPY PORTRAYAL OF ALASKA'S FUTURE BE MITIGATED. INDEED, A HEALTHY SOCIOECONOMIC FUTURE IS PROJECTED, UNDER SUCH CIRCUMSTANCES, CONCLUDING WITH AN ESTIMATE THAT 10 PERCENT OF EMPLOYED ALASKANS WILL DEPEND ON THE EXPLORATION AND PRODUCTION ACTIVITIES OF THE OIL AND GAS INDUSTRY IN ALASKA'S OCS, BY THE YEAR 2000.

THIS POINT-IN-TIME PHOTOGRAPH OF ALASKA'S SOCIAL AND ECONOMIC STRUCTURES AND THESE ECONOMIC PROJECTIONS DEPICT BENEFITS OF ENORMOUS MAGNITUDE STEMMING FROM A SINGLE SOURCE - THE ALASKA PETROLEUM INDUSTRY. INDUSTRY GROWTH TRANSLATES INTO JOBS, IMPROVEMENTS IN THE QUALITY OF LIFE, NEW MARKETS RESULTING FROM A BROADER POPULATION BASE, AGGLOMERATION ECONOMIES RESULTING IN LOWER PRICES TO THE ALASKAN CONSUMER, IMPORT SUBSTITUTION AND ECONOMIC DIVERSIFICATION - THE HISTORIC GOALS OF THE MAJORITY OF ALASKANS AT LAST WITHIN OUR REACH!

BUT ALASKANS MUST HAVE THE COLLECTIVE WILL TO REACH OUT AND SEIZE THE MOMENT. GROWTH IN THE PETROLEUM INDUSTRY IN ALASKA, WITH ITS ATTENDANT PROMISES, IS CRITICALLY DEPENDENT ON AN OPTIMUM SET OF VARIABLES AMONG WHICH ARE PREDICTABILITY AND STABILITY OF THE BUSINESS CLIMATE WHICH, IN TURN, RELIES ON PUBLIC POLICY MAKERS MAKING PRUDENT DECISIONS BASED ON FACTS AND A WELL-FOUNDED UNDERSTANDING OF THE GLOBAL IMPACTS OF THEIR DECISIONS.

ONCE AGAIN, WE ARE AT AN IMPORTANT MILEPOST IN THE HISTORY OF THE GROWTH AND DEVELOPMENT OF ALASKA. RECOGNIZING THAT THE FLOW OF OIL FROM ALASKA CONSTITUTES 20 PERCENT OF ALL DOMESTIC PRODUCTION, THIS DECISIONMAKING PERIOD ALSO REPRESENTS AN IMPORTANT POINT IN THE DEVELOPMENT AND SECURITY OF OUR NATION.

THE PURPOSE OF THIS HEARING IS TO REACH A DECISION RELATIVE TO THE SALE OF OIL AND GAS LEASES IN THE NORTH ALEUTIAN BASIN. A BRIEF GLANCE AT THE EVENTS LEADING UP TO THIS PROPOSED SALE IS ENLIGHTENING. JUST OVER TEN YEARS AGO, INTERIOR SECRETARY KLEPPE PROPOSED TO SELL LEASES IN THIS AREA IN OCTOBER OF 1977. CONGRESS RATIFIED THAT EXECUTIVE DECISION APPROVING SALE #51 BUT REVISED THE SALE DATE SLIGHTLY TO DECEMBER OF 1977. IN 1976, THEN GOVERNOR JAY HAMMOND APPEALED FOR DELETION OF THE AREA FROM THE SALE SCHEDULE BASED ON INSUFFICIENT INFORMATION AND RESOURCE DATA AND FEARS THAT MULTIPLE USE OF THE AREA MIGHT IN SOME WAY HARM THE INDUSTRIES WHICH RELY ON THE AREA'S FISH AND WILDLIFE RESOURCES FOR A PROFIT. RESPONDING TO THE GOVERNOR'S PETITION, THE DEPARTMENT DELETED THE AREA FROM THE LEASE SALE SCHEDULE. IT WAS NOT UNTIL JUNE OF 1979 THAT THE AREA WAS AGAIN PROPOSED FOR INCLUSION IN THE LEASE SCHEDULE. REINCARNATED AS THE NORTH ALEUTIAN SHELF SALE #75, THE SALE WAS PROPOSED TO BE SET FOR BIDS IN APRIL OF 1983 AND WAS AGAIN APPROVED AND INCORPORATED INTO THE REVISED "FINAL" SCHEDULE. IN MARCH OF 1982, THE AREA WAS COMBINED WITH SALE #92 AND RENAMED THE NORTH ALEUTIAN BASIN AND SCHEDULED FOR BIDS IN APRIL OF 1985. IN JULY OF 1982 THAT DECISION WAS "FINALIZED" ONCE AGAIN, RESPONDING TO A SIMILAR REQUEST FROM THE STATE OF ALASKA, THE DEPARTMENT PUSHED

BACK THE DATE OF THE SALE TO DECEMBER OF 1985 AND IN JUNE OF 1984 SOUGHT TO ALLEVIATE THE APPREHENSIONS OF THE STATE BY DELETING ALL TRACTS EAST OF PORT MOLLER AND CAPE NEWENHAM FROM THE SALE - A REDUCTION IN SIZE OF THE SALE OF A WHOPPING 83 PERCENT!

DESPITE THESE EFFORTS TO ACCOMMODATE CONCERNS, THERE REMAIN THOSE WHO WOULD CONTINUE TO ESPOUSE DELAYS IN THE OFFERING OR AT LEAST ANOTHER TEN YEARS. WHY? FOR ALL THE SAME REASONS GIVEN NEARLY TEN YEARS AGO - FEAR THAT OIL AND GAS EXPLORATION MIGHT IN SOME WAY THREATEN THE WILD-LIFE AND MARINE RESOURCES OF THE AREA AND, AGAIN, TEN YEARS LATER, \$100 MILLION LATER _ OVER 130 STUDIES BY THE INTERIOR DEPARTMENT ALONE, LATER - THE SAME REASON - INSUFFICIENT DATA.

WE BELIEVE THAT A MOUNTAIN OF INFORMATION ON RESOURCES IN THE AREA IS AVAILABLE. IT IS OUR UNDERSTANDING THAT SUCH INFORMATION WAS AVAILABLE TEN YEARS AGO AND HAS BEEN AMPLY SUPPLEMENTED IN THE INTERIM PERIOD. COMPILING AND ORDERING THE DATA IS THE TASK AT HAND AND AMPLE TIME REMAINS FOR THAT WORK TO BE COMPLETED. AS TO THE EXPRESSED CONCERN THAT THE RESOURCES OF THE HUNTING, TRAPPING AND FISHING INDUSTRIES MIGHT BE DEPLETED, THAT IS A FEAR NOT FOUNDED ON EXPERIENTIAL EVIDENCE DRAWN FROM ANYWHERE ELSE IN THE WORLD.

AS I MENTIONED EARLIER, PREDICTABILITY IN BUSINESS IS A PREREQUISITE FOR INVESTMENT. SALE #92 IS A CLASSIC EXAMPLE OF THE ANTITHESIS OF CONDITIONS DESIGNED TO FOSTER INVESTMENT WHICH GENERATES JOBS AND ASSURES ECONOMIC VITALITY.

ON BEHALF OF THE MEMBERS OF THE ALASKA SUPPORT INDUSTRY ALLIANCE, I EARNESTLY ASK YOU TO OPPOSE RATIFICATION OF HJR 31.

THANK YOU.



THE ALLIANCE

P.O. Box 100100 / Anchorage, Alaska 99510 / (907) 562-0100

SUPPORTING THE DECEMBER 1985 SALE OF OIL AND GAS LEASES IN THE NORTH ALEUTIAN BASIN AREA - SALE #92

The State of Alaska has asked Interior Secretary Model to postpone OCS Lease Sale #92 in the North Aleutian Basin for at least another 10 years. This request is based on concerns that the risk to fish and wildlife resources in the area is too great to permit leasing in the Bristol Bay region. The state suggests that industry needs to obtain additional experience in other areas to ensure that adequate technology exists for safe operations in such waters. The state also claims that biological data gaps remain which must be filled before a responsible impact assessment can be performed.

Others have asked Secretary Model to proceed with the sale as scheduled in December, 1985. Citing the fact that the area had originally been set for sale in 1977 and that over 80 percent of the area has been deleted from the proposed offering in an effort to accommodate state objections, many are concerned that added delays will serve no productive purpose. Those who depend on a viable and predictable oil and gas industry in Alaska for their livelihood cite the following facts for their position:

- Over 250 wells have been drilled in the waters off of Alaska's shores over the past 20 years without harm to the environment and without interfering with resources of Alaska's hunting, fishing and trapping industries.
- The Cook Inlet with its exceptional tide, powerful currents, hurricane force winds, and swiftly moving ice floes, poses substantially greater hazards than does the Bristol Bay area.
- Nowhere in the world has the petroleum industry cut into the profits of the fishing industry by compromising their natural resources. If anything, evidence indicates that offshore structures have enhanced fishing in areas where the two industries have developed side by side.
- Biological data gaps will always remain - it comes down to how much is enough? Over \$100 million has been spent by government, industry and academia studying Bristol Bay resources and socio-economic characteristics spanning the past 15 years.
- Under the most optimum of circumstances, the delivery of crude oil out of Alaska is set to drastically decline in the early '90's. As that decline develops, Alaskans will be thrown out of work. University studies demonstrate that -IF- exploration and production in the OCS remains on schedule, it is likely that a minimum of 10 percent of all jobs in Alaska will depend on OCS oil and gas production - a dramatic promise for the future.
- Scientific surveys by Alaska's best pollsters indicate that at least 7 out of 10 Alaskans support exploration and development of oil and gas fields in the OCS. 8 out of 10 Alaskans indicate that the effect of the oil and gas industry upon households has been positive.
- 32 billion barrels of domestic crude oil will have to be found over the next 10 years just to replace what we are using up. Government estimates that Alaska's OCS may contain 44 percent of all OCS oil resources.

Alaska is today, one of the most dynamic and exciting places in the United States in which to live, due to firm and reasoned decisions made more than a decade ago by government and industry leaders. If such leadership is again now exercised, Alaska's tomorrow will be equally as bright.

Care for Bristol Bay

Bristol Bay contains some of Alaska's most valuable resources, and Gov. Bill Sheffield was on target recently with his renewed call for delay in offshore oil development affecting the region.

Interior Secretary Don Hodel has proposed leasing tracts just outside Bristol Bay along the north side of the Alaska Peninsula. A lease sale is scheduled for December as part of the Interior Department's five-year Outer Continental Shelf leasing program, which has received praise in Washington for its restraint.

Secretary Hodel's OCS program might seem modest from a Washington perspective. It also might bring dollars into the state treasury if offshore finds match oil industry expectations. But as Gov. Sheffield emphasized in a letter to the secretary, an oil spill accompanying OCS development in the Bristol Bay area could endanger the region's multi-million-dollar fishing industry and a multitude of birds and marine mammals. In fact, an oil spill in the remote, turbulent waters of Bristol Bay could be an environmental disaster and an economic nightmare.

Secretary Hodel is, of course, responsible for the national interest, not just a single state's interest. He faces tough choices in developing an OCS program for the nation's benefit. Yet as Gov. Sheffield said, oil exploration in the Bristol Bay region currently presents a risk to the national interest because of its potential impact on fish and wildlife resources.

And given the vulnerability of those precious resources, the governor's concerns deserve to be taken more seriously in Washington.

ANC Daily News 3/29

3/25/85 Anch Times 70

Sheffield criticizes Bristol plan

by David Ramseur
Times Washington Bureau

Washington — Oil development near Bristol Bay proposed by the federal government could threaten the area's multimillion dollar fishing industry, 85 species of birds and more than 20 species of marine mammals, according to Gov. Bill Sheffield.

The governor, in a recent letter to Interior Secretary Donald Hodel, reiterated his call for a delay in the North Aleutian Basin outer continental shelf lease sale scheduled for December.

Sheffield said the fishing industry near the sale area is among the productive in the world and suggested that oil development could harm both it and the abundant wildlife that populate the area.

"Oil and gas exploration and development in this area currently presents too great a risk to the state and national interest in maintaining the extremely productive and valuable fish and wildlife resources which characterize this region," Sheffield said.

The sale, once scheduled for next month, is part of Interior's current national five-year OCS leasing schedule. At Sheffield's request, 83 percent of the sale area was deleted last year by former Secretary William Clark.

The remaining 17 percent was then rescheduled for December despite Sheffield's call for a 10-year delay.

The remaining sale area lies just outside Bristol Bay along the north side of the Alaska Peninsula.

Interior and state officials continue to negotiate over the proposed sale and discussed it during Sheffield's visit here late last month.

According to the governor, the annual value of the fishery in the area averaged \$200 million between 1977 and 1982, about half of which came from salmon. More than 60 million adult salmon and several hundred million juveniles migrate through the proposed sale area annually, he said.

Other fisheries also could be affected, he said, including herring, groundfish, and king and tanner crab.

In addition, scores of species of marine mammals and birds travel through or live in the area. For example, up to 17,000 endangered gray whales annually migrate along the Alaska Peninsula and up to 18,000 sea otter live near the sale area, Sheffield said.

The governor said the world populations of several species of birds live in or migrate through the area. They include 131,000 black brant, 71,000 emperor geese and 60,000 Steller's eiders.

A recent Rand Corporation study for the federal government showed that an oil spill would move toward the wildlife populations along the peninsula.

"... Marine and coastal habitats in the North Aleutian Basin vicinity support fish and wildlife resources of state, national and international significance," Sheffield told Hodel.

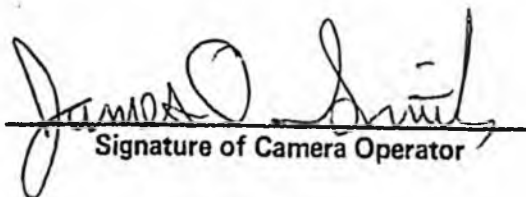
"These resources provide the economic mainstay as well as important subsistence food resources for Bristol Bay communities."

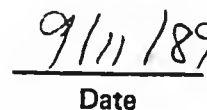


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Signature of Camera Operator


Date

HJR

36

ALASKA POWER AUTHORITY

334 WEST 5th AVENUE - ANCHORAGE, ALASKA 99501

Phone: (907) 277-7641
(907) 276-0001

May 9, 1985

Representative Adelheid Herrmann
Representative Richard Shultz
Co-Chairmen, Resources Committee
State Capitol
Pouch V
Juneau, Alaska 99811

Dear Representatives Herrmann and Shultz:

This letter outlines the position of the Alaska Power Authority relative to House Joint Resolution No. 36. This resolution, which was introduced by Representatives Navarre and Marrou, relates to the licensing of the Bradley Lake Hydroelectric Project. The resolution states that the Alaska Legislature urges the Federal Energy Regulatory Commission (FERC) "to expedite the issuance of a Final Environmental Impact Statement (FEIS) for the Bradley Lake Hydroelectric Project."

The Alaska Power Authority advocates passage of the resolution because it confirms the support of the State of Alaska for Bradley Lake Project. By passing the resolution, the FERC will be assured that the State of Alaska is firmly resolved to develop the project as expeditiously as possible.

Issuance of the FEIS is scheduled for September 1985 and the license issuance is scheduled for December 1985. The Alaska Power Authority is currently working closely with the FERC in matters relating to the issuance of the FEIS and license.

The Power Authority is confident that the FERC is progressing on schedule or ahead of schedule in their activities relative to processing the license and FEIS and is expediting these activities whenever possible. Please feel free to contact Dave Eberle, Bradley Project Manager, or myself if you have any questions pertaining to this matter.

Sincerely yours,

Robert D. Heath
by SW

Robert D. Heath
Executive Director

LP/RDH/nm

9376/383/D1



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James O. Smith
Signature of Camera Operator

9/5/89
Date

HJR

53

Alaska State Legislature

POUCH V
JUNEAU, ALASKA 99811
(907) 465-4453/4530

2201 ROOSEVELT DRIVE
ANCHORAGE, ALASKA 99503
(907) 248-4234



MEMBER
HOUSE RESOURCES COMMITTEE
MEMBER
HOUSE STATE AFFAIRS COMMITTEE

Representative Roger Jenkins

DISTRICT 11

January 22, 1986

MEMORANDUM

To Dick
TO: All Co-Sponsors and Resource Committee Members
FROM: Representative Roger Jenkins *Roger Jenkins*
SUBJECT: HJR 53 - Relating to the United States and Soviet Union
boundary dispute and the resources in the area
under dispute.

I have enclosed a copy of HJR 53 and related backup for your review. Resources Committee has scheduled the first hearing on HJR 53 for Monday, January 27, 1986, at 8:30 am.

The specific Bering Sea boundary dispute relates to the difference between the "straight rhumb line" on a flat map the (USSR position) and the "curved great circle route" on a globe (US position) as an interpretation of the 1867 convention line.

Thankyou for your support and co-sponsorship. It is my hope that this resolution will help prevent the giveaway of a valuable resource area.

Enclosures

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1. HJR 53
2. Letter with enclosures from Senator Frank H. Murkowski dated July 10, 1986
3. Fact Sheet with background attachment on the International Boundary Study dated October 1, 1965
4. Research paper prepared by the House Research Agency dated February 4, 1985
5. Magazine article entitled, "Where Superpowers are 55 Miles Apart: A Boundary Dispute Waiting to Happen," from the National Journal dated 8/7/82
6. Magazine article entitled, "U.S., Soviets Share Claims To Bering Sea," from the Offshore dated April, 1983
The Department of Public Safety's January 21, 1986 Fiscal Note and Fiscal Note Analysis
7. Map Navarin Basin disputed area.
8. Report from Stockholders for World Freedom dated October 20, 1984
9. Newspaper Article entitled, "Why should we give the Soviets oil-rich turf?" from The Washington Times dated January 18, 1985
10. Newspaper Article entitled, "Why hand oil over to the Soviets?" The Washington Times dated July 4, 1985
11. Newspaper Article entitled, "Groups Oppose Giving Soviets Wrangel, Four Other Islands," All-Alaska Weekly, dated June 14, 1985
12. The Alaska Economic Report article entitled, "Bering Sea 'OCS REPORT'" dated February 28, 1985
13. Press Release by The Conservative Caucus which provides background on the boundary dispute
14. Newspaper Articles entitled, "Soviets harass oil drillers working in Navarin Basin," and "Oil firms to appeal drilling ban," and "An oil prospect by any other name....," Anchorage Daily News dated October, 1985

15. Report from The Stockowners' News dated October 1985
16. Newspaper article entitled, "Alaska fears U.S. giveaway of oil reserve Soviets covet," The Washington Times
17. Paper from California Academy of Sciences on the Discovery of Wrangel Island by Samuel L. Hooper published 1956
18. Map Oil & Gas Resources of Alaska which includes references to the disputed areas

FRANK H. MURKOWSKI
ALASKA

COMMITTEE ON ENERGY AND
NATURAL RESOURCES
COMMITTEE ON FOREIGN
RELATIONS
COMMITTEE ON VETERANS'
AFFAIRS
SELECT COMMITTEE
ON INDIAN AFFAIRS
SELECT COMMITTEE
ON INTELLIGENCE

United States Senate

WASHINGTON, DC 20510

July 10, 1985

WASHINGTON OFFICE:

(202) 224-6865

ANCHORAGE OFFICE:

701 C STREET, BOX 1
(907) 271-3735

FAIRBANKS OFFICE:

101 12TH AVENUE, BOX 7
(907) 456-0233

JUNEAU OFFICE:

FEDERAL BUILDING, BOX 1647
(907) 686-7400

The Honorable Roger Jenkins
P. O. Box 6727
Anchorage, Alaska 99502

Dear Roger:

I was sorry to miss you when you stopped by my Washington office on June 14th. My aide, Tom Roberts, relayed your comments on the issue of the U.S.-U.S.S.R. maritime boundary to me. I want to commend you on the Resolution you introduced in the State Legislature regarding the discussions on our maritime boundary and I appreciate your contacting me about this issue. This letter is to let you know I am also concerned about the issue and to share with you the information I have on the subject.

As you know, since 1981 the United States and the Soviet Union have held four rounds of discussions on the line established by the 1867 U.S.-U.S.S.R. Convention ceding Alaska. U.S. participation in these discussions has involved extensive coordination with all concerned governmental agencies. These talks are largely technical, involving the determination of how the line should be drawn, in arcs of great circles, as the U.S. has been drawing it or in rhumb lines, as the Soviets have been interpreting it.

The question of Soviet sovereignty over the five islands is not connected to the boundary negotiations over the Convention Line and the Navarin Basin. I am in regular contact with officials who are negotiating this maritime boundary matter, and have received a briefing from The Conservative Caucus, the organization that asserts that the U.S. should claim sovereignty over the islands. I have had the Congressional Research Service and the Senate Intelligence Committee research the topic and have found the following to be the facts:

With regard to the islands, Henrietta, Jeannette, Bennett, Wrangel, and Herald, have been considered by both countries to be on the Soviet side of the U.S.-Russia Convention Line of 1867. They are not being claimed by the United States and are not being discussed in the ongoing talks. For your information, I have enclosed a copy of the brief that the State Department prepared for me explaining the history of sovereignty claims of the islands. During a recent State Department briefing, it was pointed out that the U.S. never made an objection when the Soviets formally claimed these islands in the 1920's nor at any time thereafter. Although the U.S. has never officially recognized the Soviet claim, we have never claimed the islands, either.

The Honorable Roger Jenkins
July 10, 1985
Page Two

Regarding the Navarin Basin issue, after carefully studying the issue, the State Department believes that keeping the 1867 Convention line best furthers the full range of U.S. interests, including the maximization of our resource interests in the Basin. As you know, the Department of Interior has proceeded with taking bids for leases in the Navarin Basin and is holding the bids in escrow for five years pending settlement of the discussions on the Convention line. Exploratory drilling is taking place this summer in the Navarian area. The majority of the Navarin Basin is currently on the U.S. side of the Convention line, and the State Department has let me know in briefings that their object in participating in the discussions is to keep it that way. I trust that you will recognize that in the context of current U.S.-Soviet relations, it is crucial that this matter be handled carefully. It appears to me, however, that the American officials conducting these talks are fully aware of the historic and strategic interest involved in the boundary area, such as you detail in your resolution.

I will continue to monitor the talks to ensure that any agreement reached reflects U.S. and Alaskan interests. Please be assured that I will not support any agreement which illegally or unjustly cedes U.S. territory.

With warmest personal regards,

Sincerely,



Frank H. Murkowski
United States Senator

cc: Cosponsors of Alaska Legislature H.J.Res. 53

Enclosure

FRANK H. MURKOWSKI
ALASKA

COMMITTEE ON ENERGY AND
NATURAL RESOURCES
COMMITTEE ON FOREIGN
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COMMITTEE ON VETERANS'
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WASHINGTON OFFICE:

(202) 224-6665

ANCHORAGE OFFICE:

701 C STREET, BOX 1
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FAIRBANKS OFFICE:

101 12TH AVENUE, BOX 7
(907) 456-0233

JUNEAU OFFICE:

FEDERAL BUILDING, BOX 1647
(907) 586-7400

July 10, 1985

The Honorable George P. Shultz
Secretary of State
Department of State
Washington, D.C. 20520

Dear Secretary Shultz:

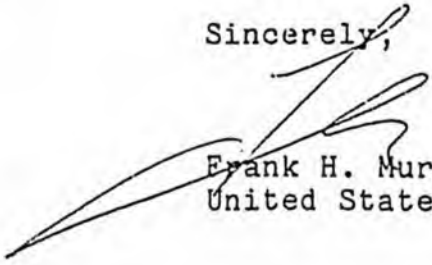
I am enclosing a resolution (HJR 53) that has recently been introduced in the Alaska House of Representatives regarding the ongoing discussion between the United States and the Soviet Union over the maritime boundary between the two countries. This resolution has been cosponsored by 17 of the 40 members of the State House.

I would appreciate it if you would provide a full, up-to-date situation paper on the issue to the Alaska representatives who have cosponsored this resolution. Additionally, I am requesting the details in the Lomen Brothers' foreign claims case. These were the Alaskan businessmen who lost property in the Soviet invasion of Wrangel Island in 1924. The interests in this claims case were sold to Mr. Mark Seidenberg in 1976.

Thank you for your prompt attention to this matter. I look forward to your reply.

With best wishes,

Sincerely,


Frank H. Murkowski
United States Senator

Enclosure: Alaska Legislature House Joint Resolution 53

cc: Cosponsors of Alaska Legislature House Joint Resolution 53

Ms. Liz Verville
Office of the Legal Adviser

WRANGEL ISLAND

Wrangel Island is an island of approximately 3,700 square miles found in the Chukchi Sea, north of Siberia, approximately 200 nautical miles west of the line established by the 1867 Russia-United States Convention Ceding Alaska. (This island is not to be confused with Wrangell Island in the Alexander Archipelago of southeast Alaska.) Although U.S. citizens were reportedly involved in the early exploration and discovery of Wrangel Island and the island was listed in some early publications such as the U.S. Geological Survey's 1906 Geographic Dictionary of Alaska, extensive research by the Department of State has not produced any evidence that the United States has ever formally asserted a claim to Wrangel Island, protested Russian and Soviet claims dating from 1916 and 1924, respectively, or protested Soviet occupation of the island dating from 1924.

Wrangel Island is named for the Russian explorer Baron von Wrangell (or Wrangel), who unsuccessfully attempted to locate this island in the early 1800's. Dates of discovery of the island are variously listed as 1849 by a British ship, the H.M.S. Herald and 1881 by Captain Hooper of the U.S. Navy vessel Corwin. The British crew of the Herald reportedly saw Wrangel Island but did not land on it. After several attempts to land on the island by other American vessels and whaling ships, Captain Hooper is reported to have landed on the island and raised the American flag in 1881. Later in 1881, the crew of another U.S. vessel, the Rodgers, also reportedly landed on the island and mapped it.

In 1911, a crew from the Russian vessel, the Vaigach, reportedly landed on the island, surveyed it and erected a beacon which served as an astronomical positioning station. This led to a formal claim to the island by the Russian Government in 1916. The United States reportedly acknowledged receipt of the Russian note but made no substantive response.

In the early 1920's the Arctic explorer Vilhjalmur Stefansson reportedly formed a Canadian company and under its auspices organized a private expedition to occupy Wrangel Island, apparently with the intention of establishing British or Canadian sovereignty. Several successive Stefansson expeditions, including some U.S. citizens, occupied Wrangel Island. Stefansson, however, was unable to interest either the Canadian Government or the British Government in asserting a claim.

After having attempted to assert its claim to Wrangel Island by requiring a 1923 relief ship to call at a Soviet port on its way to Wrangel Island, the Soviet Union in 1924 formally asserted a claim to Wrangel Island by diplomatic note transmitted to the United States and other countries. Extensive research has not produced any evidence of a U.S. reply to this note.

In 1924, an American company, Lomen Bros., of Nome, Alaska reportedly purchased whatever rights the Stefansson group had acquired in Wrangel Island. Representative Sutherland of Alaska wrote to Secretary of State Hughes informing him of the purchase and asked what attitude the United States Government was likely to assume in the matter of sovereignty over the island. In July, 1924, the Acting Secretary of State replied that the Department did not desire to express an opinion respecting the question of the international status of Wrangel Island and that the Department also refrained from expressing approval or disapproval of a project which, it understood, was entirely commercial in nature.

In August, 1924, the crew of the Soviet vessel Red October arrived on Wrangel Island, hoisted the Soviet flag and transported the occupants to Siberia. Since that time, the Soviet Union has occupied Wrangel Island. In addition, the Soviet Union reasserted a formal claim to the island in 1926 via a decree transmitted to the United States and other governments. In the early 1940's, the Senate considered resolutions requesting reports from the Secretary of State concerning whether or not the United States had a valid claim to sovereignty over Wrangel Island. In 1940 and 1941, the Secretary of State responded that the United States had not formally claimed sovereignty over Wrangel Island and that it was desirable to avoid raising the question of sovereignty.

Although the United States has never formally recognized Soviet sovereignty over Wrangel Island and has from time to time indicated that it has not formally relinquished any claim, extensive research has not produced evidence of any formal U.S. assertion of a claim to the island, or of any U.S. protest of the Soviet claims to or occupation of the island.

HERALD, BENNETT, HENRIETTA AND JEANNETTE ISLANDS

Herald Island is an island of approximately 10 square miles located in the Chukchi Sea, north of Siberia, near Wrangel Island. Bennett, Henrietta and Jeannette Islands have areas of approximately 64, 5 and 7 square miles, respectively, and are located in the East Siberian Sea north of Siberia. Herald Island was reportedly discovered by a British Captain, Captain Kellett, in 1849. Bennett, Henrietta and Jeannette islands were reportedly discovered by the crew of the U.S. vessel Jeannette in 1881, although the vessel apparently only sighted but did not land on Jeannette Island. Although these islands were apparently listed in the 1906 Geographic Dictionary of Alaska, and some may have been listed in some subsequent publications of a similar nature, extensive research has not produced any evidence that the United States Government has ever formally asserted a claim to any of these islands or protested Russian or Soviet claims (from 1916 and 1924 respectively) or activities with respect to the islands.

A brief description of events with regard to each of these islands follows.

Herald Island

After the British discovery of Herald Island in 1849, the crews of several U.S. vessels reportedly landed on the island, including crews of the Vincennes in 1855 and Corwin and Rodgers in 1881. Perhaps because the crews were aware of the British discovery, none of them are reported to have claimed the island for the United States.

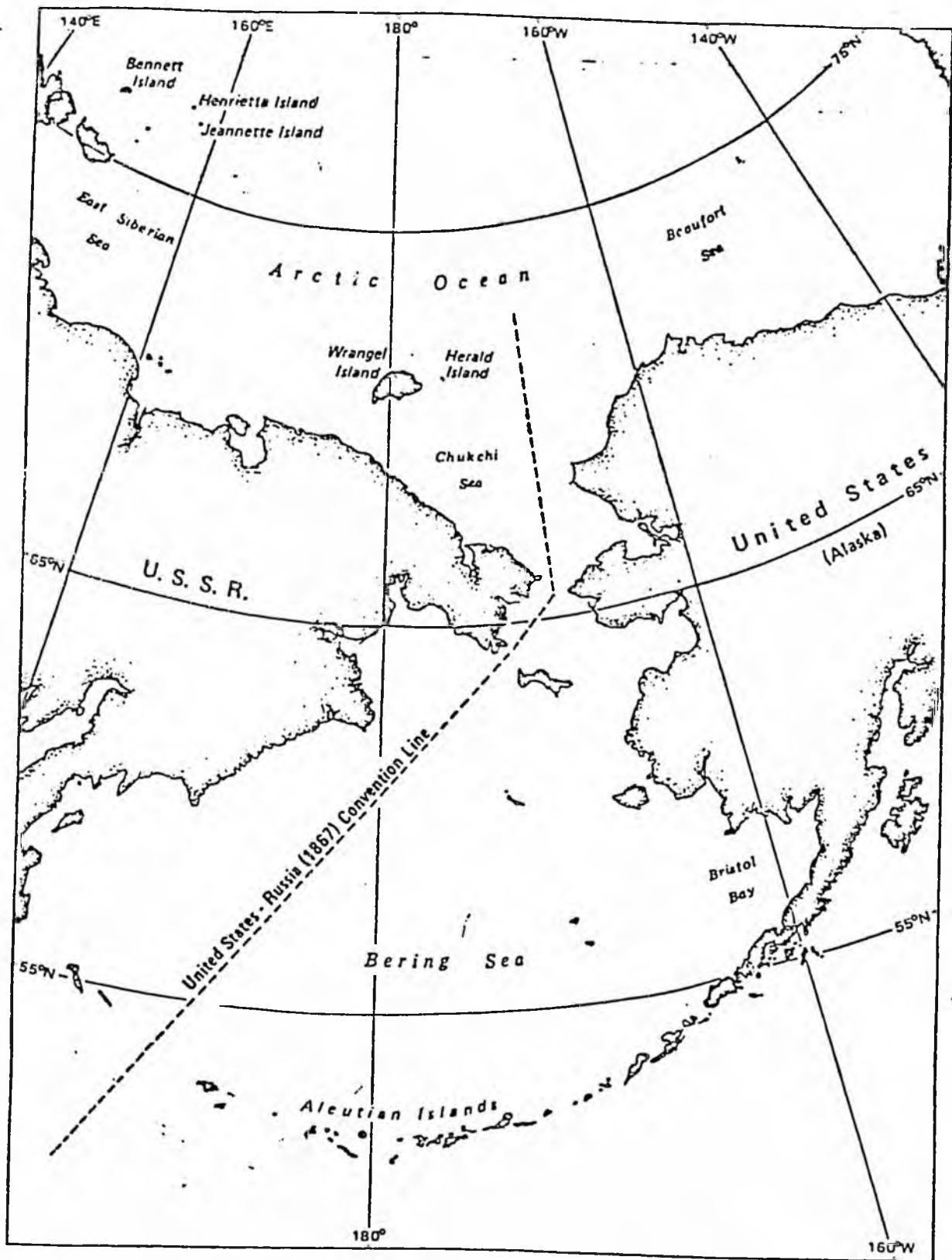
In 1916, the Russian Government formally asserted a claim to Herald Island via diplomatic note. The United States reportedly acknowledged receipt of the note but made no substantive response. In 1924, there were press reports that two U.S. citizens had landed on Herald Island and claimed it for the United States. The State Department responded to a 1926 Congressional inquiry concerning the expedition by stating that the Department was not prepared to make any statement with regard to the international status of the island.

In 1924 and 1926 the Soviet Government asserted claims to Herald Island by diplomatic note and decree, respectively, which were transmitted to the United States and other governments. In 1926 and again in 1934, crews of Soviet vessels are reported to have landed on the island and planted the Soviet flag. Although the United States has never formally recognized Soviet sovereignty over Herald Island, extensive research has produced no evidence of a U.S. claim to the island or of any U.S. protest of Soviet claims or activities.

Bennett, Henrietta and Jeannette Islands

Crews of several Russian ships reportedly landed on Bennett Island in 1902 (when a Russian expedition is reported to have stayed for approximately three and a half months) and 1913. In addition, in 1914, the Russian crew of the vessel Vaigach is reported to have received orders to survey Henrietta and Jeannette islands and to hoist the Russian flag; however, ice apparently prevented the expedition from carrying out these orders. Thereafter, in 1916, the Russian Government asserted a claim to all of these islands by diplomatic note. The United States is reported to have acknowledged receipt of the note but no evidence has been found of a substantive reply.

In 1924 and again in 1926, the Soviet Government also asserted claims to these islands by diplomatic note and decree, respectively. Research has produced no evidence of U.S. response to these claims. In 1937, the Soviet vessel Sadko is reported to have visited all the islands and to have raised the Soviet flag on Henrietta and Jeannette islands. In addition, in 1956, a Soviet expedition reportedly reached Bennett Island by air and remained there for three to five months. Although the United States has never formally recognized Soviet sovereignty over any of these islands, extensive research has produced no evidence that the United States has ever formally asserted a claim to the islands or protested Soviet claims or activities with regard to them.



5816 10-84 STATE(IG)

Here Are The Actual Facts On The So-called "Boundary Line" With The Soviets Next To Alaska:

This International Boundary Study is one of a series of specific boundary papers prepared in the Office of the Geographer, Department of State, in accordance with provisions of Bureau of the Budget Circular No. A-16, Exhibit D.

Government agencies may obtain additional information and copies of the study by calling the Office of the Geographer, Room 8744, State Department Building, Department of State, Washington 25, D.C. (telephone: Code 182, Extension 4507).

INTERNATIONAL BOUNDARY STUDY

No. 14 (Revised) October 1, 1965

U.S. - RUSSIA CONVENTION LINE OF 1867

Rather than a boundary per se, this report concerns a convention line which ordinarily appears on official maps in the same manner as a boundary. According to Boggs, "Most lines in water areas which are defined in treaties are not boundaries between waters under the jurisdiction of the contracting parties, but a cartographic device to simplify description of the land areas involved ...". He further describes such a line being a "line of allocation" of land. For example, all land areas to the east of the Convention line in question belong to the United States; to the west to the U.S.S.R. without regard to the water areas involved.

Furthermore, in keeping with the policy that the line does not constitute a boundary, the standard symbol for the representation of an international boundary should never be used. Furthermore, labeling of the line as "U.S. - Russia Convention of 1867" is recommended.

^{1/} Boggs, S.W., "Delimitation of Seaward Areas under National Jurisdiction," American Journal of International Law, Vol. 45, No. 2 April 1951, footnote 2, page 240.

Note: Mr. S. Willemore Boggs was the State Department's own Special Adviser on Geography.

International Straits of the World
Volume I "Northeast Arctic Passage"
Published 1978, Sythoff & Noordhoff
By William E. Butler, M.A., J.D., Ph.D
Professor of Comparative Law, University of London
Dean of Faculty of Law, University College, London

"The Russo-American Convention line of 1867 is not regarded as a state frontier, and the continental shelf boundary in the Chukchi Sea and northward remain to be negotiated."

What could be plainer language about America's rights to her Alaskan oil-rich seabeds?

In the State Dept.'s own words:

This International Boundary Study is one of a series of specific boundary papers prepared in the Office of the Geographer, Department of State, in accordance with provisions of Bureau of the Budget Circular No. A-16, Exhibit D.

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INTERNATIONAL BOUNDARY STUDY

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The Geographer
Office of Research in Economics and Science
Bureau of Intelligence and Research

I. U.S. - RUSSIA CONVENTION LINE OF 1867

Rather than a boundary *per se*, this report concerns a convention line which ordinarily appears on official maps in the same manner as a boundary. According to Boggs^{1/} "Most lines in water areas which are defined in treaties are not boundaries between waters under the jurisdiction of the contracting parties, but a cartographic device to simplify description of the land areas involved ...". He further describes such a line being a "line of allocation" of land. For example, all land areas to the east of the Convention line in question belong to the United States; to the west to the U.S.S.R. without regard to the water areas involved.

Early in 1955, a group of U.S. cartographic experts in the ACC/MAP^{2/}, after a rather long period of consultation and deliberation, issued the "Coordinate Positions for the Plot of U.S. - Russia Convention of 1867." This document, which is reproduced in part below, has been adopted as the standard description for the cartographic representation of the Convention line. Its re-issue in this series results from the large number of questions on the line which have been raised in recent months from offices unfamiliar with the original document.

II. TREATY

The only treaty establishing a so-called "boundary" between the United States and the modern Union of Soviet Socialist Republics is the Convention Ceding Alaska concluded March 30, 1867 with ratification advised by the Senate on April 9, 1867 and proclaimed by the President on June 30, 1867. The Convention line, as given below, marks the limit, to the east of which, the Emperor of Russia ceded all territory or claims to territory in North America. The 1867 Convention's territorial article on the western limits of the Alaskan cession reads as follows:

The western limit within which the territories and dominion conveyed, are contained, passes through a point in Behring's straits on the parallel of sixty-five degrees thirty minutes north latitude, at its intersection by the meridian which passes midway between the islands of Krusenstern, or Ignalook, and the island of Ratmanoff, or Noonarbook, and proceeds due north, without limitation, into the same Frozen Ocean. The same western limit, beginning at the same initial point, proceeds thence in a course nearly southwest, through Behring's straits and Behring's sea, so as to pass midway between the northwest point of the island of St. Lawrence and the southeast point of Cape Choukotski, to the meridian of one hundred and seventy-two west longitude; thence, from the intersection of that meridian, in a southwesterly

^{1/} Boggs, S.W., "Delimitation of Seaward Areas under National Jurisdiction," American Journal of International Law, Vol. 45, No. 2 April 1951, footnote 2, page 240.

^{2/} The Map Sub-Committee of the Air Coordinating Committee.

direction, so as to pass midway between the island of Attou and the Copper island of the Kormandorski couplet or group, in the North Pacific ocean, to the meridian of one hundred and ninety-three degrees west longitude, so as to include in the territory conveyed the whole of the Aleutian islands east of that meridian.

In the Convention, 193° West Longitude coincides, of course, with 167° East Longitude. The modern names for selected places mentioned in the Convention are as follows:

<u>Convention Name</u>	<u>Modern Name</u>
Krusenstern or Ignalook	Little Diomede Island
Ratmanoff or Noonarbook	Big Diomede Island or Ostrov Ratmanova
Frozen Ocean	Arctic Sea
Cape Choukotski	Mys Chukotskiy
Attou Island	Attu Island
Copper	Ostrov Mednyy
Kormandorski couplet	Komandorskiye Ostrova

III. SUMMARY

The wording of the Convention is rather precise. The principal question left unsolved is whether the lines between the fixed points should cartographically be expressed as "rhumb lines" or as "great circle lines". It was decided that great circle lines should be understood by the Convention wording of "straight lines" on the earth and the ACC/MAP group resolved:

"The lines between points herein described are great circles except those lines which connect adjoining points on the same parallel shall follow the parallel."^{3/}

The Coordinate Positions for the Plot were listed as follows:

Coordinate Positions for Plot of U.S. - Russia Convention Line of 1857

<u>POINT</u>	<u>POSITION</u>	
	<u>Latitude</u>	<u>Longitude</u>
Mys (Cape) Chukotski, southeast extremity	64° 14'.2 N	173° 05'.5 W
St. Lawrence Island, northwest extremity	63° 47'.3 N	171° 45'.8 W
Medny (Copper Island) eastern extremity	54° 32'.2 N	168° 00' E
Attu Island, western extremity	52° 55'.3 N	172° 26'.8 E

^{3/} The actual wording applied to ADIZ boundaries in the vicinity of the Convention line. The significant point is made first and applied to the Convention line.

<u>POINT</u>	<u>POSITION</u>	
	<u>Latitude</u>	<u>Longitude</u>
Initial Turning Point	65° 30'.0 N	168° 58' 22".587 W ^{u/}
Turning Point No. 2	64° 12'.3 N	172° 00' W
Mid Point between Medny and Attu Island	53° 45'.0 N	170° 16'.0 E
End Point, southwestern ex- tremity of Convention line	50° 36'.4 N	167° 00' E
5° increments of longitude along great circle arcs	65° 04'.2 N	170° 00' W
	62° 59'.4 N	175° 00' W
	60° 33'.5 N	180°
	57° 28'.0 N	175° 00' E
	53° 31.0 N	170° 00' E
Starting point of Convention Line	72° 00' N	168° 58' 22".587 W

It should be noted that the original Convention language stated that the line "proceeds thence due north, without limitation, into the same Frozen Ocean". Since the United States does not support so-called "sector claims" in the polar regions, the northernmost point for the representation of the Convention line was agreed to be 72° 00' N. Furthermore, in keeping with the policy that the line does not constitute a boundary, the standard symbol for the representation of an international boundary should never be used. Furthermore, labeling of the line as "U.S. - Russia Convention of 1857" is recommended.

The plotted points, it should be remembered, are subject to minor modification resulting from improved surveys, changes in datum, alteration in the spheroid, etc.

^{u/} This value was given erroneously in the distributed 1951 IAP minutes as 168° 50' 22".587 W. and copied in the original edition of this study instead of the correct value, 168° 58' 22".587 W.

4



ALASKA STATE LEGISLATURE
HOUSE OF REPRESENTATIVES
RESEARCH AGENCY

Pouch Y, State Capitol
Juneau, Alaska 99811
(907) 465-3991

February 4, 1985

MEMORANDUM

TO: Representative Roger Jenkins
FROM: *Gretchen Keiser*
Gretchen Keiser, Legislative Analyst
RE: U.S. - U.S.S.R. Boundary Dispute in the Bering Sea
Research Request 85-121

David Garrison of your staff requested that we report on the status of the negotiations between the United States and the U.S.S.R. regarding the disputed boundary in the Bering Sea. This memorandum summarizes the information obtained from: 1) the U.S. State Department, which is responsible for the negotiations; and 2) the Minerals Management Service within the U.S. Department of the Interior, which has offered oil leases in the disputed area under its Outer Continental Shelf (OCS) Oil and Gas Leasing Program.

Mr. David Colson, a legal advisor in the State Department, indicated that the last meeting between the two countries to negotiate a settlement of the boundary dispute was held in July 1984. To his knowledge, no future meeting has been scheduled at this time. However, he indicated that future meetings are considered necessary in order to resolve the dispute. Mr. Colson was reluctant to speak about the terms of negotiation, but did indicate that the U.S. had presented a proposal to the Russians which was a modification of our original position. The U.S. position has been that a great circle line delineates the boundary, as described below. He hastened to add, however, that a suggestion that the U.S. was willing at this time to compromise at a geographical middle point in the disputed territory may be assuming too much flexibility in the U.S. position.

Mr. Lee Thormahlen, of the OCS Survey Group in the Minerals Management Service, provided some background information which may be of interest to you. The dispute stems from inexact language incorporated in the Convention of 1867 when the Russians transferred Alaska to the U.S. The U.S. interprets the treaty such that a great circle line should be drawn between two geographical points in the Bering Sea. Conversely, the U.S.S.R. maintains that the treaty should be interpreted as meaning that a rhumb line be drawn between the same two points. If one draws these two lines on a Mercator projection, the great circle line would

Representative Jenkins
February 4, 1985
Page Two

be a curved line toward the North Pole whereas the rhumb line would be a straight line. The two lines are roughly 100 miles apart at the widest distance.

Mr. Thormahlen also indicated that the U.S. - U.S.S.R dispute is not an isolated case. All U.S. boundaries with Canada, Mexico and Cuba are currently under some degree of litigation. In these cases, there were no treaties signed between the countries, unlike the Convention of 1867 between the U.S. and U.S.S.R.

We hope this information is useful to you. Please contact us if we can be of further assistance.

GK

MILT COPULOS

Why should we give the Soviets oil-rich turf?

If you were responsible for the disposition of a parcel of U.S. territory roughly four times the size of California and believed to contain upward of 25 billion barrels of untapped oil reserves, what would you do with it?

Well, if you worked for the U.S. Department of State, it apparently would be logical to give it to Moscow. Incredible as it seems, that's what a negotiating team from Foggy Bottom is preparing to do with about half of America's outer continental shelf.

The parcel lies to the east of the "1867 Convention Line." This line was used in the purchase of Alaska from Russia to establish what was being purchased. It was not, however, intended as an official boundary between the two nations. In fact, as recently as 1965 a State Department publication on interna-

tional boundaries stated unequivocally that the 1867 Convention Line should *never* be designated on maps as the boundary between the United States and the U.S.S.R.

More important, not just the outer continental shelf is involved in the giveaway. Above it lie a number of islands long-recognized as U.S. territory. One, however — Wrangel Island — has been a bone of contention between the two superpowers for more than six decades.

The official U.S. claim is based on the 1881 discovery of the island by a group of Americans. It was the site of an active commercial enterprise through the early 1920s.

There is no doubt about the validity of the U.S. claim to the territory; all the traditional international requirements for establishing sovereignty have been met. In 1924, however, the Soviet Union decided that Wrangel Island belonged to them and sent a force of soldiers, along with the gunboat *Red October*, to occupy it. The Soviets took prisoner

Wrangel Island has been a bone of contention between the two superpowers for more than six decades.

the 14 Americans living there, shipped them to Siberia (just 90 miles away), and confiscated the property.

U.S. attempts to resolve the dispute were considerably complicated by the fact that we did not recognize the Communist government at that time. Eventually, 12 survivors were returned to the United States. But the U.S. government never relinquished sovereignty over Wrangel

Island, and the family that owned the confiscated property pursued a claim against Moscow through the international courts. While it took until 1959 for their claim to be settled, the Lomen family did receive compensation under the International Claims Settlement Act.

This underscores the illegality of the Soviet actions on Wrangel Island, and the validity of the U.S. claim to that territory. The United States has a similarly strong claim to the area lying between Wrangel and the 1867 Convention Line — the area Foggy Bottom seems so anxious to cede to our adversaries.

What makes the State Department's move more disturbing is the secrecy involved. While negotiations have been under way since 1981, it was not until the Department of the Interior decided to hold an offshore lease sale of the outer continental shelf that the talks came to light.

Four major U.S. oil companies successfully bid on tracts in the

Navarin Basin (part of which lies to the east of the boundary the Soviets are pushing). But State notified Interior they might not be able to honor the leases awarded, because the United States might cede title to the territory to Moscow. Interior had to explain to the companies that their \$21 million in escrow funds to secure the leases would be in limbo until the talks were concluded or five years had passed, whichever came first.

No one seems to know just how, in less than 20 years, the United States came to relinquish its claim to the outer continental shelf east of the 1867 Convention Line, not to mention the five islands.

More important, no one seems able to explain why we are so anxious to give up the enormously rich oil potential of the territory, or the strategic asset of five islands so close to Soviet shores.

Most of all, no one seems willing to explain why this was going on in secret for so long. Perhaps it's time someone did.

Milt Copulos is director of energy studies at The Heritage Foundation.

Milt Copulos is a Trustee of The Conservative Caucus Research, Analysis & Education Foundation, Inc.

FRIDAY, JANUARY 18, 1985/11

The Washington Times

Where Superpowers Are 55 Miles Apart: A Boundary Dispute Waiting to Happen

The boundary line in the Bering Sea leaves some potentially oil-rich areas on the U.S. side, and the Soviet Union could make an issue of it.

BY CAMERON LA FOLLETTE

The Bering Sea, which separates Alaska from Siberia, is a formidable place of roaring winter storms, barren coasts—and oil and gas. The Geological Survey estimates that 15 per cent of undiscovered, recoverable U.S. oil and up to 11 per cent of its gas may lie beneath the chilly Alaskan waters.

These precious energy reserves may, however, be imperiled by sensitive questions over the boundary between the United States and the Soviet Union that runs through the Bering Sea. Neither country is talking publicly about the possibility of a boundary dispute, but U.S. officials recognize that one could erupt, especially if the energy deposits can be verified.

U.S. and Soviet officials have reportedly held informal discussions on the border issue. Oil and gas have already caused a heated boundary dispute between the United States and Mexico and inflamed a dispute between the United States and Canada that centered on fishing rights.

The potential boundary dispute in the Bering Sea is obvious from a stiff note in a recent Geological Survey report on undiscovered, recoverable oil and gas: "With reference to the international boundaries of the offshore regions, the United States has not yet resolved its offshore boundaries with its neighboring states. . . . The lines used in preparing this report are for purposes of illustration only. . . ."

The current boundary was set in the 1867 treaty by which czarist Russia ceded Alaska to the United States. This was before nations began to extend control over their Outer Continental Shelves, comparatively shallow slopes that are extensions of land masses. The shelves are often rich in oil and gas.

The 1958 Geneva Convention on the Outer Continental Shelf envisioned a scheme for setting boundaries, where needed, between coastal states. The continental shelf claimed by most nations extends 200 miles, and the convention decided that this would do for nations with more than 400 miles of open sea between them. For nations with fewer than 400 miles, the boundary would be equidistant between the countries.

The United States and the Soviet Union are only 55 miles apart at the Bering Strait. This raises the question of whether the 1867 boundary is still the line between the two nations or whether a new one should be fashioned under the 1958 convention.

A State Department official responded: "We consider the 1867 treaty line to be the boundary. We don't consider there to be a dispute over that."

And Los Angeles lawyer Robert Krueger, a participant in the United Nations's Law of the Sea negotiations, said: "I think the equidistant boundary . . . is a non-issue. I don't think the State Department has a timetable for dealing with this, but you can infer that since oil and gas leases are being proposed right up to the international line, the boundary must be settled."

But Thomas Hovet, a University of Oregon political scientist who specializes in international law, was more cautious. "One could argue under international law that because nobody disputed the boundary, it is a fact," he said. "But the U.S. should prepare arguments on both sides and settle on the one most beneficial. Either side could shift ground later if they don't agree to something now."

As unsettled as the law may seem on this question, both countries appear content to regard the 1867 line as the outer continental shelf boundary. Soviet policy tends to support treaties of long-standing,

and any major change would create a diplomatic furor that neither country welcomes.

EXPLORATORY CHILL

The current boundary cuts through Navarin and Barrow Arch, potentially two of the richest oil basins in the Bering Sea. The other two important basins, Norton and Hope, probably do not extend to the international line. Changing the boundary to conform with the convention would probably shift the line east, putting a larger portion of the Navarin Basin in Soviet waters. But until some exploration takes place, actual effects cannot be known.

Doubts over the boundary could cast a chill on exploration. John Garrett, a consultant to Gulf Oil Exploration and Production Co., said: "Gulf would not take a lease, even if offered, if they felt another Administration might give it to the Soviets. Oil companies will take risks on many things, but not international jurisdiction disputes. We would not go into an area until we knew there was a settled regime."

But another oil company official said: "The oil industry's general attitude is that the U.S. government has asserted sovereignty over these continental shelf boundaries. If they put leases up for bid, we'll bid. If there's an ownership problem, that's the government's problem. The focus of industry people in Alaska is operations and technology difficulties."

Jim Jackson, an attorney in the American Petroleum Institute's general counsel's office, said his organization had not studied the issue.

The Interior Department's Bureau of Land Management, which handles oil and gas leasing, plans to offer its first lease in the Bering Sea's Norton Basin in November 1982, with the next in 1985. The first Navarin Basin lease is planned

for March 1984 and the second for 1986. The first Barrow Arch sale is listed for February 1985 and the second for 1987.

This is not the first time the bureau has dreamed of Bering Sea leases. They first showed up in 1973 leasing plans, scheduled for 1978, and the bureau has proposed leases in at least one of the Bering Sea basins almost every year since 1973. But the leases were never sold because of changes in Administrations and, recently, a slack demand for oil.

EXERTING CONTROL

When Russia ceded Alaska to the United States for "seven million two hundred thousand dollars in gold," the treaty included a description of the western limit of the Alaska territory. A map accompanied the description.

The map and boundary sufficed until countries began to proclaim control over their Outer Continental Shelves. The United States in 1945 became the first nation to do so. President Truman claimed the continental shelf "as an extension of the land mass of the coastal nation and thus naturally appurtenant to it..."

The 1958 convention was convened to bring order out of the increasing chaos brought on as other nations followed the U.S. lead. The convention defined the continental shelf as the seabed and subsoil of areas adjacent to the coast but outside the territorial sea, which is usually three miles and is generally considered an extension of a nation. In the Outer Continental Shelf, by contrast, control is limited to exploitation.

The convention tried to smooth the waters on an increasingly controversial issue: how to determine the boundaries between nations when less than 400 miles of sea separates them or they are adjacent to each other. It specified that the boundary shall be determined first by "agreement between the two states," by some other way if another boundary line is justified "by special circumstances" or, if these methods do not suffice, by using the equidistance principle.

There are about 50 continental shelf boundaries around the world. "As a general rule, opposite states generally do use the equidistance method in delimiting their Outer Continental Shelf boundaries," said Robert Petrowski, an attorney in the Washington law office of

Northcut Ely, which specializes in Outer Continental Shelf boundary delineations.

The question between the United States and the Soviet Union is whether the 1867 boundary can serve as an "agreement" under the 1958 convention.

ALLOCATING THE SHELF

There are several ways to look at the current boundary in the Bering Sea. Some argue that the 1867 treaty of cession did not establish a boundary at all but merely a "line of allocation." This means that the countries agreed to the line only to divide the lands between them. If this is the case, the two nations should either negotiate a new treaty to set

allocation "There's a line there, it's mutually accepted by both countries. There's no shooting over it," said Ray Arnaudo, Pacific fisheries officer for the State Department.

Complicating matters is the 1969 Vienna Convention on the Law of Treaties, which the United States has not ratified. This convention specified that if there are two treaties on a subject, the latter one generally takes precedence. The Soviet Union could thus argue that the 1958 convention overruled the 1867 treaty. But many argue that the two treaties do not cover the same subject; the Alaska treaty allocated land while the convention concerned methods of allocating Outer Continental Shelves.

The Vienna convention also stated that treaty provisions cannot conflict with certain fundamental rules of international law. If the Soviet Union favored an equidistant boundary, it could argue that use of the equidistance principle is a peremptory norm of international law.

But that is still in dispute. In its 1969 North Sea Continental Shelf cases, the International Court of Justice ruled that the 1958 Geneva Convention did not crystallize equidistance as a necessary part of continental shelf doctrine. Many states use variations of equidistance to get more equitable settlements, and the court gave its blessing to that approach both for opposite and adjacent countries.

Nobody will know how much is at stake in the Bering Sea until exploration begins. Oil and gas estimates vary greatly. The Bering Sea is considered to be at the technological edge of Outer Continental Shelf drilling because of ice.

"There's no particular problem with water depth," said Hank Rosenthal, Atlantic Richfield Co.'s public relations manager for Anchorage. "There will be problems with sea ice for exploratory drilling several months of the year. We can probably build a permanent structure that can withstand the ice pressure." Rosenthal added that only "a substantial discovery" would justify the cost.

Because the stakes are so high for oil companies wishing to drill in the Bering Sea, the government needs to assure stability. But neither country is willing to change the status quo without good reason. That may happen after someone sinks some wells. □



Changing the 1867 boundaries (above) to conform to a 1958 convention would probably favor the Soviet Union. The shaded areas are likely Outer Continental Shelf oil fields.

the boundary or settle for an equidistant boundary as the convention urged.

But international law evolves slowly, and practices followed for 115 years carry heavy weight. Thus the 1867 line, even if originally conceived as a line of allocation, may have evolved into a true boundary out of practice. "Lines used for one purpose can crystallize into another purpose," said Petrowski. "If countries use a line to define their spheres of interest, it's easy to see how it would happen."

This is happening to some extent in the Bering Sea. A 1976 agreement between the United States and the Soviet Union on fisheries acknowledged the present boundary as the official one for fisheries



U.S., SOVIETS SHARE CLAIMS TO BERING SEA

Robert B. Krueger
Nossaman, Krueger & Knox

The Outer Continental Shelf underlying the Bering Sea may contain some of the largest undiscovered petroleum reserves in the world. Recent estimates indicate the region may hold as much as 30 billion bbl out to a depth of only 200 meters.

A prime prospect in the area is the Navarin Basin—one of the lease sale regions extending predictably into both the U.S. and Soviet portions of the Bering Straits, thus raising significant issues of international law. Lease sales will also be affected by the situation, since any sale in the

Bering Sea could be complicated by national security issues or overlapping claims by the Soviet Union.

Since the 1958 Geneva Convention which claims those "submarine areas adjacent to the coast to a depth of 200 meters as Continental Shelf," offshore technology has developed to a point that most of the area is now exploitable. And both the Soviet Union and the U.S. should be presumed to have rights to petroleum in the Bering Sea out to the boundary line.

To determine the extent of the area the U.S. may offer for lease, it will be necessary to establish the boundary line between the nation and the Soviet Union. It will also be necessary to

attempt to resolve the potential complementary problems of the exploration and development of the Bering Sea area and of the treatment of petroleum resources which straddle the boundary line between the two nations, as they probably will.

Discussion topics

When U.S.-USSR discussions began six years ago concerning fishing boundaries, the two groups were drawn to the 1867 treaty. Reports then indicated the Soviets and U.S. agreed the 1867 line controls the question of delimitation of the continental shelf.

In general, the boundaries of the zone are measured 200 nautical miles from the baseline. However, for some portions of the waters adjacent to the United States, including the Bering Sea, a 200-nautical-mile zone could conflict with the rights of other states such as Mexico, Cuba, Venezuela and the USSR.

Although both countries seem to agree the line delimits shelf area they are still unable to agree on how to actually draw the line. The Soviet Union has taken the position that the boundary should be drawn by using rhumb-lines, a more traditional technique at the time of the treaty.

The U.S. contends the more modern great circle method of calculation should be used. Quite a large discrepancy results from the use of these two different methods of delineation: An area over 15,000 sq miles in the highly promising petroleum region is in question.



Many area operators have long held that most promising tracts off the East Coast probably lie in deep and very deep waters.

technology in deeper waters will become proven is for the industry to be given the opportunity to apply it where a real need exists."

Modification work on Sonat Offshore's deepwater vessel, fresh from a record-breaking summer in the French Mediterranean, is now under way to enable the ship to work in 7,500 ft. Shell expects use of the Discoverer Seven Seas will cost about \$230,000 a day.

Upcoming sale

Mid Atlantic activity will also be spirited later this month when OCS Sale 76 is held for unleased blocks located 300-350 nautical miles off the coasts of Massachusetts down to North Carolina. The auctioned territory will cover about 50 million acres.

According to the Interior Department's Minerals Management division, the sale area of most interest is located between the 600-6,000 ft water depth contours along the edge of the Continental Shelf and on the Continental Slope from 30 to 140 nautical miles offshore. MMS notes that industry interest is consistent with a pattern that has been developing along the entire Atlantic OCS—that is, a shift in interest to deeper waters that lie over a postulated buried petroliferous reef.

"Nearshore areas hold little to no interest," says MMS.

The drilling scorecard in the Baltimore Canyon has collected a lot of dust. From 1978 to 1981, nine operators drilled a total of 27 dry holes. The only shadow of success appeared on the southeast flank of the Baltimore Canyon four years ago, when Texaco tested hydrocarbon signs in Block 598. Further drilling, however, failed to produce more proof.

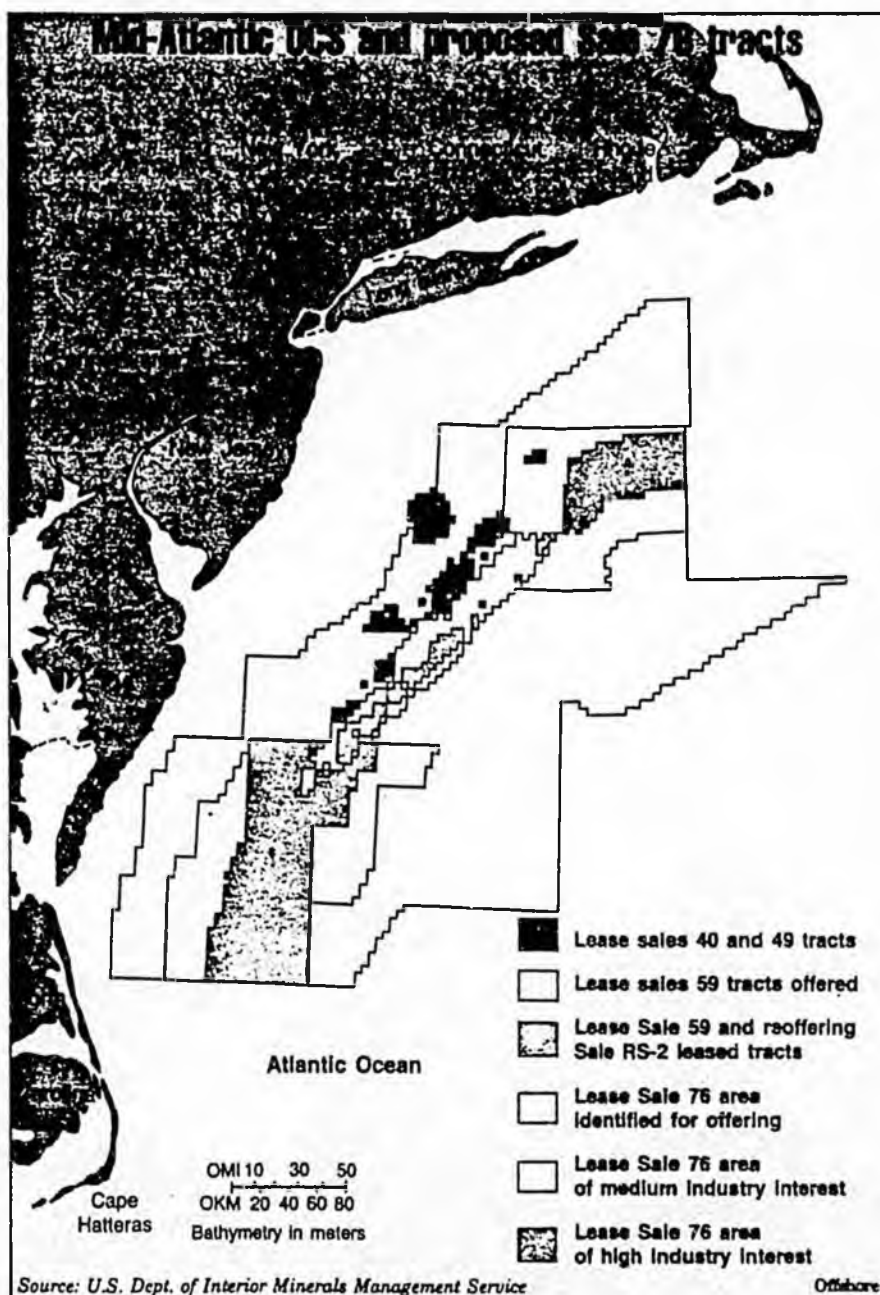
Chevron will start the East Coast revival ball rolling this spring by spudding an exploration well 40 miles off Cape Hatteras, North Carolina. The company has leased the Sedco 472 drillship to drill the first wildcat in 2,100 ft of water in Block 510. The well has been targeted to 16,000 ft.

This project will mark the first drilling in the South Atlantic in three years. Operators originally spent about nine months in the area drilling six very expensive and very dry holes.

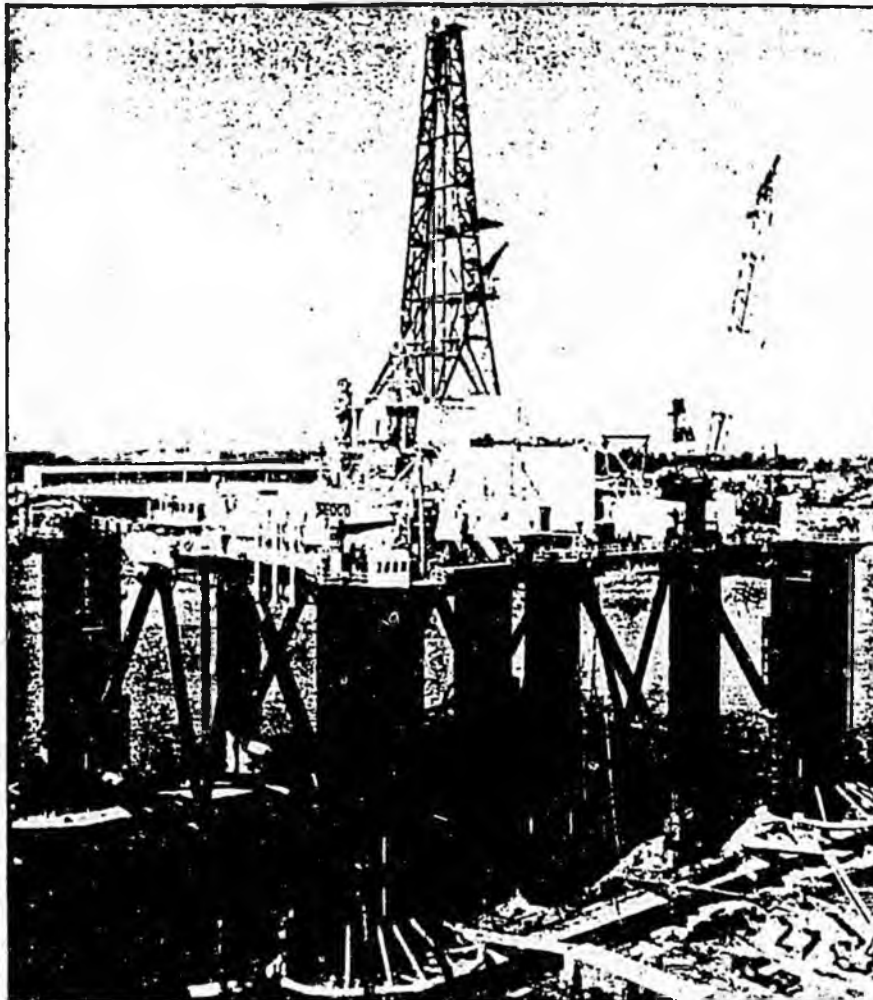
News from the northern half has been equally quiet since last August, when Shell exited the Georges Bank basin after drilling its second dry

hole in the trough. The company was one of five operators who spent almost 14 months and a total of \$1 billion for what turned out to be eight duds.

The MMS has since revised reserve estimates for the North Atlantic based on this new geological data. Figures have been pared down to 56 million bbl of oil and 280 billion cu ft of gas. □



To determine the extent of the areas the U.S. may offer for lease, it will be necessary to establish a boundary line between the nation and the USSR.



Sedco's 708 semisubmersible is currently drilling a COST well in the North Aleutian Shelf off Alaska for the Atlantic Richfield Company.

As a large portion of the Navarin Basin may lie in the disputed area, it is vital that this issue be cleared up in the near future. The U.S. and USSR could consider creating a buffer zone, or perhaps an interim regime that will permit exploration and provide the framework for future development and resource sharing.

Security matters

From the standpoint of national security, the Bering Sea is a very sensitive area to both the U.S. and the Soviet Union—a factor which could lead to protracted negotiations over the location of the boundary line for reasons other than control of natural resources.

Until boundary negotiations have been concluded, it would seem logical to permit interested companies and state agencies interested in resource development to conduct geophysical and limited geological operations in the disputed area. The fact that such operations would provide intelligence other than that limited to resource development would complicate this approach.

Bilateral discussions between the Soviet Union and the U.S. on the subject of the shelf are planned for this year. An interesting element is that the agencies conducting the negotiations, the Foreign Ministry in the USSR and the State Department in the U.S., have consistently taken

the position that geophysical operations beyond the territorial sea are a freedom of the high seas not requiring the approval of any state, regardless of their internal regulations.

There are reasons to believe the Bering Sea issue will be resolved before OCS Lease Sale No. 83, scheduled for March, 1984. A most interesting aspect of the negotiations will be on the issue of shared structures, especially since informed observers believe some of the Navarin Basin structures are very large, of very high potential, and extend into the Soviet side.

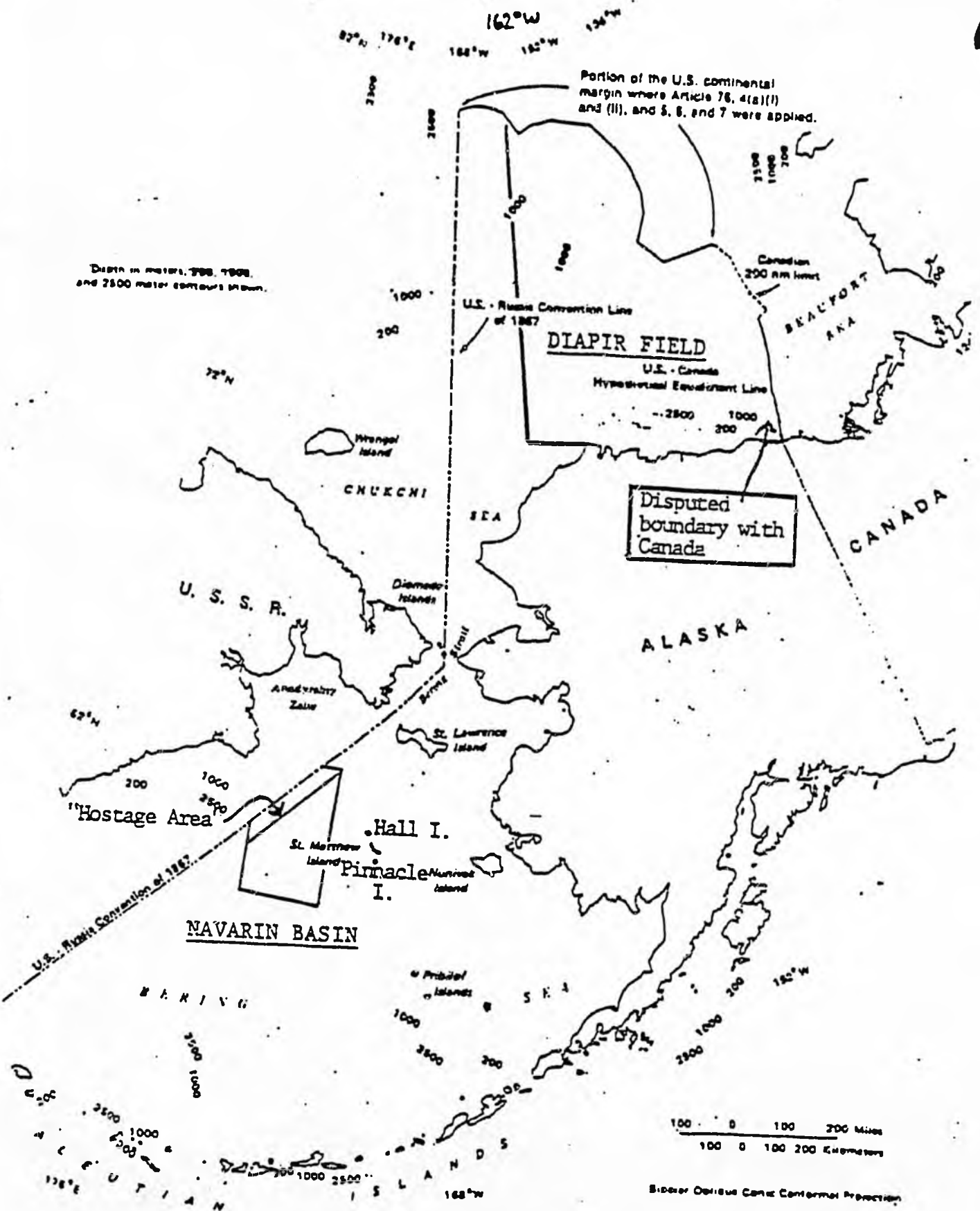
If these problems are dealt with deftly and if political circumstances permit, a joint U.S.-USSR shared resources program could develop with U.S. firms quite active on both sides of the boundary due to the acknowledged lead national firms have in offshore technology. More importantly, it could be a key element in again attempting to establish some common purposes with the Soviet Union.

To those companies interested in exploration and development of the Bering Sea, particularly the Navarin Basin, it seems obvious that Soviet interests should be examined with equal care and sensitivity as those of our own government. Although these initially extend to geophysical operations, the central issue to be examined is that of development arrangements.

It is relevant that there are current negotiations between the Soviet Union and the U.S. government related to these issues. Hopefully, the nation's petroleum industry will support and assist these discussions in a cohesive fashion.

The Soviet Union and the United States are, of course, unique in their positions as world powers. The Bering Sea may provide a setting for accommodation and cooperation that will mutually assist in other areas.

It would be interesting to see what the two countries might do as petroleum partners. Similar interests have made other relationships more viable. □



Depth in meters, 200, 1000, and 2500 meter contours shown.

Portion of the U.S. continental margin where Article 76, 4(a)(i) and (ii), and 5, 6, and 7 were applied.

Disputed boundary with Canada

STOCKHOLDERS for WORLD FREEDOM

NEWS

ISSN 0738-2389

Report No. 17E
20 October 1984

Contact:
Carl Olson
703-281-9050

Post Office Box ~~7273~~ 641
Vienna, ~~Alexandria~~, Virginia ~~22367~~ 22180
703-~~700-9050~~ 281-9050

SEVERAL CANDIDATES PROTEST GIVEAWAY OF 5 ALASKAN ISLANDS TO SOVIET UNION, STATE SEN. BENNETT AND MEMBERS OF ALL PARTIES CALL FOR RESOLUTION AGAINST, DECRY TOTAL INDIFFERENCE BY SEN. STEVENS & MURKOWSKI AND CONGRESSMAN YOUNG

Several Alaskan candidates and political party officials are protesting the U.S. State Department's plan to give away to the Soviet Union five Alaskan islands and tens of thousands of square miles of oil-rich outercontinental shelf, it was reported by Carl Olson, Chairman of Stockholders for World Freedom, headquartered in Alexandria, Virginia.

"This potential surrender is opposed by representatives of all parties--Democrat, Republican, Libertarian, and Populist. Many complain that they cannot get Senators Ted Stevens and Frank Murkowski and Congressman Don Young to take a position in opposition to the giveaway," Olson summarized from questionnaires that candidates and party officers filled out on the giveaway issue.

State Senator Don Bennett (Rep.-Fairbanks) said he would support a resolution in the State Legislature to stop the giveaway of the five Alaskan islands of Wrangell, Herald, Bennett, Henrietta, and Jeannette to the Soviets, along with the vast outercontinental shelf containing billions of barrels of oil reserves.

State Senate candidate Edna Armstrong Devries (Rep.-Palmer) strongly opposes the giveaway and would support such a resolution in the State Senate.

Objecting to the giveaway plan included State House of Representatives candidates Stewart Brandon (Lib.-Nikishka), Virginia Collins (Rep.-Anchorage), John Davis (Lib.-Soldotna), Peter Goll (Dem.-Haines), and Joyce Munson (Rep.-Anchorage).

Joining in the call to keep the Alaskan territory within U.S. jurisdiction are Populist Party leaders Rudy Voigt of Fairbanks and Leon Erickson of Anchorage, and Republican National Convention Alternate Delegate Carolyn Glover of Anchorage.

"The absence of any stated position whatsoever by Alaska's two U.S. Senators and Congressman is especially disturbing, since their offices were contacted on repeated occasions since July with a full account of the State Department's giveaway intentions," Olson complained. "At one point in a seminar for Congressional interns last summer in Washington, it was reported that Senator Stevens became very visibly upset at the entire topic when a young intern posed the topic of the island giveaway, and refused to answer the question or even promise to look into the matter."

State Department officials led a U.S. delegation to Moscow for the week of July 23 to 27 for the purpose of firming up details of the giveaway. Its rationale was a new interpretation of the old 1867 U.S.-Russia Convention Line, which it decided to elevate to the status of an international boundary. The basic trouble with

---more---

The Stockholders for World Freedom promotes the idea that stockholders can help fight anti-capitalist forces and can support human freedoms around the world by discussing and voting on these issues at their annual meetings. Model resolutions and directions for submitting them are available free upon request. For a \$25 annual membership, quarterly news reports will be sent.

this position is that it surrenders not only the five Alaskan Arctic islands, but it abandons the valid U.S. claims to tens of thousands of square miles of oil-rich outercontinental shelf.

At stake in a real, practical sense are billions of barrels of probable oil reserves that would go to support the Soviet war machine, losses of hundreds of Alaskan jobs, surrender of militarily strategic areas, and a defeat for American diplomatic prestige.

Already four major petroleum companies (ARCO, Shell, Amoco, and UNOCAL) have been deprived of their ability to exercise the oil and gas leases that they submitted the winning bids on in the Navarin Basin of the Bering Sea, because of the State Department's intent on yielding up these oil-rich seabeds to the Soviet Union. A half million stockholders are being adversely affected by this surrender policy, since their companies bid \$108,000,000 for the leases, which would be expected to yield up several times that investment in return.

The State Department's position was revealed in the Federal Register of March 16, 1984 (pp. 10056 and 10068) which declared that the U.S. accepted the old 1867 U.S.-Russia Convention Line as the maritime boundary. This represented a total reversal of the U.S.'s firm foreign policy for decades. As a matter of fact, in its own Boundary Study No. 14, titled "U.S.-Russia Convention Line of 1867", the State Department declared, "Furthermore, in keeping with the policy that the (1867) line does not constitute a boundary, the standard symbol for the representation of an international boundary should never be used."

"Even though Alaska has a small population in comparison with the rest of the United States, it has immense resources and invaluable strategic value to America," Olson declared. "I only hope that Alaskans lead the fight to keep the state from being given away piecemeal to the Communist bosses in the Kremlin."

MILT COPULOS

Why should we give the Soviets oil-rich turf?

If you were responsible for the disposition of a parcel of U.S. territory roughly four times the size of California and believed to contain upward of 25 billion barrels of untapped oil reserves, what would you do with it?

Well, if you worked for the U.S. Department of State, it apparently would be logical to give it to Moscow. Incredible as it seems, that's what a negotiating team from Foggy Bottom is preparing to do with about half of America's outer continental shelf.

The parcel lies to the east of the "1867 Convention Line." This line was used in the purchase of Alaska from Russia to establish what was being purchased. It was not, however, intended as an official boundary between the two nations. In fact, as recently as 1965 a State Department publication on interna-

Milt Copulos is director of energy studies at The Heritage Foundation.

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More important, not just the outer continental shelf is involved in the giveaway. Above it lie a number of islands long-recognized as U.S. territory. One, however — Wrangel Island — has been a bone of contention between the two superpowers for more than six decades.

The official U.S. claim is based on the 1881 discovery of the island by a group of Americans. It was the site of an active commercial enterprise through the early 1920s.

There is no doubt about the validity of the U.S. claim to the territory; all the traditional international requirements for establishing sovereignty have been met. In 1924, however, the Soviet Union decided that Wrangel Island belonged to them and sent a force of soldiers, along with the gunboat *Red October*, to occupy it. The Soviets took prisoner

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What makes the State Department's move more disturbing is the secrecy involved. While negotiations have been under way since 1981, it was not until the Department of the Interior decided to hold an offshore lease sale of the outer continental shelf that the talks came to light.

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Navarin Basin (part of which lie the east of the boundary the Soviets are pushing). But State notified Interior they might not be able to have the leases awarded, because the United States might cede title to territory to Moscow. Interior has explained to the companies that the \$21 million in escrow funds to secure the leases would be in limbo until talks were concluded or five years had passed, whichever came first.

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More important, no one seems able to explain why we are so anxious to give up the enormously rich oil potential of the territory, or strategic asset of five islands close to Soviet shores.

Most of all, no one seems willing to explain why this was going on so secret for so long. Perhaps it's someone did.

Milt Copulos is a Trustee of The Conservative Caucus Research, Analysis & Education Foundation, Inc.

FRIDAY, JANUARY 18, 1985/IN

The Washington Times

Why hand oil over to the Soviets?

The State Department persists in negotiations to surrender to the Soviet Union vast areas of oil-rich seabeds in the Bering Sea and Arctic Ocean, territory long considered to be under U.S. sovereignty.

Why? Because "the United States never made formal claims," said a State Department spokesman. An unnamed diplomat called it "another step . . . by the Reagan administration to try to improve relations with the Soviet Union."

Whatever the rationalization, the fact remains that this quiet diplomacy could result in the loss of up to 25 billion barrels of oil reserves very important to national security. Even more damaging would be U.S. surrender to illegal Russian claims.

The argument centers on the interpretation of the U.S. Russia Convention Line of 1867, established when the United States purchased Alaska. Contrary to historical evidence, the *American Journal of International Law*, and its own geographer, the Reagan State Department would now define this "convention line" as the international boundary between the two countries.

The "convention line," however, is not an international boundary, and in 1951 the State Department's own special adviser in geography, S. Wintemore Boggs, said so in plain language: "Most lines in water areas which are defined in treaties are not boundaries between waters under the jurisdiction of the contracting parties, but a cartographic device to simplify description of the land areas involved. . . ." (*American Journal of International Law*, Vol. 45, April 1951, p. 240).

Mr. Boggs described such a line simply as a "line of allocation" of land. Therefore, the land areas to the east of the convention line of 1867 belong to the United States; and land

areas to the west belong to the Soviet Union without regard to the water areas involved. Moreover, since this line does not constitute a state boundary, the cartographic symbol for an international boundary should never be used.

This principle was reaffirmed by the State Department Office of the Geographer's *International Boundary Study*, Oct. 1, 1965, and again by William E. Butler, professor of comparative law, University

This quiet diplomacy could result in the loss of up to 25 billion barrels of oil reserves important to national security.

of London, in 1978: "The Russo-American Convention Line of 1867 is not regarded as a state frontier, and the continental shelf boundary in the Chukchi Sea and northward remains to be negotiated."

Under quiet negotiations with Moscow in July 1984, Washington would accept the 1967 convention line as the official boundary and evidently draw it as a rhumb line instead of a great circle, thereby giving the Soviets even more oil reserves on the continental shelf. But more important, the State Department would extend this line into the Arctic Ocean as the boundary line and surrender five strategic islands that lie to the westward: Wrangel, Herald, Jeannette, Henrietta, and Bennett -- all discovered and claimed for the United States long after the 1867 purchase



of Alaska from the Russians.

The largest islands, Wrangel and Herald, are in the outer continental shelf with vast petroleum potentials. Wrangel was once considered as a prime site for a U.S. air base. U.S. claims to the other three islands, some 900 miles west of Point Barrow, Alaska, resulted from the heroic Jeannette expedition of 1879-81 under Navy Lt. Commander George Washington De Long.

Documents and land records of the state of Alaska, the U.S. Navy, and the Treasury Department (Revenue Cutter Service) trace the American origins of these five islands. An international court ruling in 1959 under the International Claims Settlement Act established U.S. claims to Wrangel Island, and underscored the illegality of Soviet claims.

Thirty five years earlier, in 1924,

Alfred J. Lomen had filed his claim against the Soviets for confiscating his property on the island. Mr. Lomen was one of 13 Americans engaged in processing furs in the early 1920s. In 1924 the Soviets sent the gunboat *Red October*, seized the Americans and their property, and sent them to Siberia, 90 miles away. The new Soviet nation claimed the island. However, after a long delay, the court awarded compensation to the Lomen family, thereby providing yet another validation that the island is U.S. territory.

The current State Department negotiations have apparently ignored America's 200 mile economic zone, which would give the United States exclusive maritime resource jurisdiction -- meaning maritime oil rights 200 miles offshore from U.S. territory. Further complicating the State Department's surrender plan is the acceptance by the Interior Department of millions of dollars in escrow funds from four U.S. oil firms bidding on tracts in the disputed areas.

This scheme for appeasing the Soviet Union whose empire already spreads over one fifth of the Earth's land and controls another fifth would cede 2,900 square miles of strategic islands and oil beds four times the size of California, or 630,000 square miles of energy sources.

This *cannot* be done constitutionally without the consent of Congress, which alone can dispose of U.S. territory (Art. IV, Sec. 3, of the Constitution). It *must* not be done without full debate and disclosure.

Do the senators and representatives in Congress understand what the State Department is up to? And, have they been asked to intervene?

G. Russell Evans is a retired U.S. Coast Guard captain.

MILT COPULOS

Why should we give the Soviets oil-rich turf?

If you were responsible for the disposition of a parcel of U.S. territory roughly four times the size of California and believed to contain upward of 25 billion barrels of untapped oil reserves, what would you do with it?

Well, if you worked for the U.S. Department of State, it apparently would be logical to give it to Moscow. Incredible as it seems, that's what a negotiating team from Foggy Bottom is preparing to do with about half of America's outer continental shelf.

The parcel lies to the east of the "1867 Convention Line." This line was used in the purchase of Alaska from Russia to establish what was being purchased. It was not, however, intended as an official boundary between the two nations. In fact, as recently as 1965 a State Department publication on interna-

Milt Copulos is director of energy studies at The Heritage Foundation.

tional boundaries stated unequivocally that the 1867 Convention Line should never be designated on maps as the boundary between the United States and the U.S.S.R.

More important, not just the outer continental shelf is involved in the giveaway. Above it lie a number of islands long-recognized as U.S. territory. One, however — Wrangel Island — has been a bone of contention between the two superpowers for more than six decades.

The official U.S. claim is based on the 1881 discovery of the island by a group of Americans. It was the site of an active commercial enterprise through the early 1920s.

There is no doubt about the validity of the U.S. claim to the territory; all the traditional international requirements for establishing sovereignty have been met. In 1924, however, the Soviet Union decided that Wrangel Island belonged to them and sent a force of soldiers, along with the gunboat *Red October*, to occupy it. The Soviets took prisoner

Wrangel Island has been a bone of contention between the two superpowers for more than six decades.

the 14 Americans living there, shipped them to Siberia (just 90 miles away), and confiscated the property.

U.S. attempts to resolve the dispute were considerably complicated by the fact that we did not recognize the Communist government at that time. Eventually, 12 survivors were returned to the United States. But the U.S. government never relinquished sovereignty over Wrangel

Island, and the family that owned the confiscated property pursued a claim against Moscow through the international courts. While it took until 1959 for their claim to be settled, the Lomen family did receive compensation under the International Claims Settlement Act.

This underscores the illegality of the Soviet actions on Wrangel Island, and the validity of the U.S. claim to that territory. The United States has a similarly strong claim to the area lying between Wrangel and the 1867 Convention Line — the area Foggy Bottom seems so anxious to cede to our adversaries.

What makes the State Department's move more disturbing is the secrecy involved. While negotiations have been under way since 1981, it was not until the Department of the Interior decided to hold an offshore lease sale of the outer continental shelf that the talks came to light.

Four major U.S. oil companies successfully bid on tracts in the

Navarin Basin (part of which lies to the east of the boundary the Soviets are pushing). But State notified Interior they might not be able to honor the leases awarded, because the United States might cede title to the territory to Moscow. Interior had to explain to the companies that their \$21 million in escrow funds to secure the leases would be in limbo until the talks were concluded or five years had passed, whichever came first.

No one seems to know just how, in less than 20 years, the United States came to relinquish its claim to the outer continental shelf east of the 1867 Convention Line, not to mention the five islands.

More important, no one seems able to explain why we are so anxious to give up the enormously rich oil potential of the territory, or the strategic asset of five islands so close to Soviet shores.

Most of all, no one seems willing to explain why this was going on in secret for so long. Perhaps it's time someone did.

FRIDAY, JANUARY 18, 1985/11

The Washington Times

Claiming State Department in Secret Negotiations . . .

Groups Oppose Giving Soviets Wrangel, Four Other Islands

18,000 Square Miles Area Said Rich in Oil and Fishery Resources



Secretary of Interior Donald Hood, center, talks with Roger Burtruff, of the Alaska Moose Association, left, and Borough Mayor Bill Allen shortly before speaking at a breakfast meeting Monday in Tazewell Inn.

\$108 Million Placed In Escrow, Lease Fees For Disputed Area

By Tom Snapp
 Editor

The national organizations, the Conservative Caucus Foundation, the Daughters of the American Revolution, and the Military Order of the World Wars, along with seventeen members of the Alaska House of Representatives are urging the U.S. State Department to take a strong stand regarding the U.S.-Soviet Union boundary dispute involving an 18,000 square mile area in the Arctic Ocean and Bering Sea considered rich in oil and fishery resources.

The area includes five islands, Wrangel, Bennett, Herald, Henrietta and Jeanette.

The groups claim the U.S. State Department has been in secret negotiations with the Soviet Union for years and has already made concessions to the Soviet Union, including use of the 2,000-square-mile Wrangel Island.

The groups, which claim the U.S. owns the area in question, vehemently opposes giving any of it to the Soviet Union and instead is calling on Congress to hold hearings to investigate the activities of the State Department.

On May 12 this year, seventeen members of the Alaska House of Representatives introduced a resolution, House Joint Resolution 53, on the subject. While the resolution did not pass this session and was left stranded at the end of the legislative session in the House Resources Committee, reportedly it will be revived at the beginning of next year's session.

The resolution explains the background of the dispute this way:

"The Navarin Basin oil and gas lease sale in April 1954 resulted in total accepted bids of \$631,200,000, of which \$108,174,000 was for an area claimed by the Soviet Union.

"The winning bidders for the 17 tracts in the area claimed by the Soviet Union not only are precluded from exploring for oil and gas in these valuable seabed areas, but their bid deposit money is being held in a suspense account

—Continued on page 3

Man, 19, Girl, 14, Charged With Killing Three Elderly Alaskans

A 14-year-old Anchorage girl and her 19-year-old boyfriend, Cornell Boyd, also of Anchorage, were arrested this week on charges of murdering three elderly Alaskans on April 22.

The pair, who have also been charged with a string of Anchorage burglaries, are charged with killing Plumbing supply businessman Tom Faccio 63, his wife, Ann Faccio, 70, and Ann's sister Emelia Elliott, 76. They were found in their East Anchorage home the morning of April 23. All three had been shot through the head, execution-style.

The case which baffled police for quite some time was finally broken when Boyd and the girl were identified through the Crimeoppers program

which at the time was offering a \$50,000 reward.

Court papers describe the young pair as having been living together for two months, cranking in vacant rooms and apartments, and buying food and drugs from the loot of their burglaries.

Both Boyd and the girl have been seen frequently at a state owned housing project near Chisler Creek and C Street. Boyd's family still lives there. The girl is listed as a runaway and her parents have moved away.

On May 30 police nabbed the pair in the process of burglarizing two apartments at 307 W. 27th Avenue. The girl was captured at the scene but Boyd made his escape.

The girl was taken to police headquarters where she was in the midst of giving a taped confession of participating with Boyd in a series of burglaries dating back to February when Boyd called the station to find out what was happening to her.

Police kept Boyd on the line long enough until the call could be traced to the Sears and Roebuck store. Police moved in to arrest him but Boyd spotted them and eluded them in a one-hour chase across town. He was arrested the next day on seven burglary charges and two theft of weapon charges.

Assistant District Attorney Stephen Brannenflower said more burglary charges — perhaps as many as seven — will be lodged against the pair.

Giving Soviets . . .

-Continued from page 1
by the U.S. Department of the Interior and is yielding only the U.S. Treasury rate of return.

There are hundreds of American jobs at stake in the drilling area and at industry support lines.

The question of territorial jurisdiction also has implications for bottom fishery operations for American fishermen.

"The normal depletion of fish on the globe are by the arc of a great circle, especially when they involve great distances in the open ocean, such as the 1867 Convention Line marking the boundary between the United States and Russia.

"The U.S. Department of State's International Boundary Study No. 14 ("U.S.-Russian Convention Line of 1867"), which was published in 1965, depicted the 1867 Convention Line by arc of a great circle.

"Discussions have been conducted between the U.S. Department of State and the Soviet Government over this issue since 1981, with the latest round being held in Moscow on July 23 and 24, 1984, with the American delegation led by Davis R. Robinson, the Legal Advisor of the U.S. Department of State.

"Article IV, Sec. 3 of the United States Constitution provides that 'The Congress shall have power to dispose of and make all needful rules and regulations respecting the territory or other property belonging to the United States.'

"The Westernmost limit to the oil and gas leasing program of the U.S. Department of Interior for the Outer Continental Shelf in the Bering Sea has been set by the U.S. Department of State at the U.S.-Russian Convention Line of 1867.

"The leasing program involving the 1867 Convention Line in the Bering Sea includes the Norton Basin and the Norton Basin; there are highly significant oil and gas deposits estimated by the U.S. Department of Interior in three basins; and these potential hydrocarbon energy deposits are a vital part of the future energy production for the United States and as a goal of energy independence.

"The leasing schedule for sales of oil and gas includes the Norton Basin in April last year and Marco 1986, the St. George Basin in May, this year, and April 1987, and the Norton Basin in December of this year.

"The area is estimated to contain about 100,000 tons of sustainable oil and gas that is presently being leased exclusively by foreign fishing fleets.

"During the announcement of the Norton Basin's April 1984 sale, the U.S. Department of Interior revealed that the Soviet Union was demanding part of the Outer Continental Shelf in the Norton Basin and that the U.S. Department of State was requiring that the proposed oil and gas lease sales in the area claimed by the Soviet Government be held in abeyance, that is, the bids received and retained but the leases not awarded until the matter is resolved.

"The Federal Register announcement described the dispute as follows:

"The differing claims relate to differing depictions of the line established by the 1867 Convention Ceding Alaska between the United States and Russia. The United States depicts the 1867 Convention Line as the maritime boundary by arc of a great circle while the Soviet Union depicts the 1867 Convention Line as a straight line.

"The area of the Outer Continental Shelf demarcated by the Soviet Union between the arc-of-a-great-circle and the thumb-line depictions in the Bering Sea amounts to about 18,000 square miles."

In their resolutions, legislators urge the U.S. Department of State "not to yield to the demands of the Soviet Union" and urge it to adopt a firm stance and aggressively pursue a resolution of the dispute favorable to the interests of the government and the people of the United States.

In a resolution adopted by the 94th Congress of the American Revolution in April this year, the organization claimed:

"The Soviet Union is now occupying Wrangel Island, without the consent of Congress, and the existence of a special maritime training facility has been discovered on United States Territory.

"The United States is also considering transfer to the Soviet Union of the rich Outer Continental Shelf in the Bering Sea and the Arctic Ocean, which contains some 23,400 square miles of petroleum-rich sands with an estimated four to twenty-five billion barrels of oil in addition to vast deposits of heavy metals.

In a resolution passed by the Military Order of the World War in January of this year, it is claimed that the "Arctic Alaskan Islands of Wrangel, Bennett, Hennetta, and Jeanette were discovered and claimed to the U.S. by the United States, under international law during the period of 1879-1881 and the island of Herald was discovered and claimed to the

name of Great Britain in 1849 and subsequently ceded to the United States."

The resolution claims the Soviet Union invaded the island of Wrangel taking all Americans prisoner in 1924 and confiscating all property real and personal in violation of international law.

The U.S. State Department, it says, as late as 1973 made the unequivocal statement "The United States has not relinquished its claims to Wrangel Island." But it says the U.S. State Department has been conducting secret negotiations with the Soviet Union, without participation of the Departments of Interior, Energy, or Defense, since at least 1981 on surrender of this sovereignty. And it adds that the Constitution of the U.S. provides that only the Congress, by treaty, signed by the President and debated and ratified by the Senate, may surrender American real estate and seabeds.

The State Department is disavowed about Wrangel Island, South West, who has been involved in discussions with the Soviets for many years over the dispute, says information about the talks is classified.

The three islands, Bennett, Hennetta, and Jeanette, were discovered and claimed for the United States by Navy Commander George Washington DeLoe in an 1879-1881 expedition to which a monument still stands at the U.S. Naval Academy in Annapolis, Md. The three islands are well known as the DeLoe Islands.

In 1881 an American flag was raised over Wrangel Island by the U.S. Revenue Marine, but no claim of ownership was made. In 1911, the Russians first visited Wrangel and erected a beacon. In 1921, Canadian explorer Vilhjalms Stefansson tried to colonize the island but that venture ended in disaster, when most of the members died. In 1923, Stefansson tried again but this time the Russians removed the colonists from the island. Neither the U.S. or Canada started a claim of ownership, but Stefansson sold whatever interest he had in the island to the Lomen Brothers, of Nome.

Mark Sandberg, a resident of Alexandria, Va., in 1976 arranged with Ralph Lomen, one of the Lomen Brothers that claimed to be owners of the island, to trade a square foot of Alaskan land he had acquired near Anchorage for 93,000 acres on Wrangel so he could challenge the Soviet presence there.

"The U.S. Claim to Wrangel Island," study done for the State Department in 1976, says the island was first sighted by American captain Thomas DeLoe in 1867, the year the

United States purchased Alaska from another American, Captain Hooper, landed on the island and claimed it for the U.S. in 1881, according to the study.

In the mid-70s, the secretary of Mildred Lomen's will filed a claim with the State Department regarding Wrangel Island. The secretary was told that U.S.-Soviet scientific studies taking place at the time on Wrangel Island involved much more and migratory birds and did not affect ownership.

The studies resulted from an agreement, the Protocol of Anchorage, signed September 19, 1974 by the United States and the Soviets.

On August 27, 1974 the U.S. and U.S.S.R. met in Moscow to write up the proposed protocol, which if approved would grant Russia formal use of Wrangel Island without going to the U.S. Congress, with only approval by the Department of State.

At 10:30 p.m. September 19, 1974 at the Woodward Hotel

in Anchorage, the proposed protocol was approved and signed by V. Danov and Vladimir Kozlovskiy for the U.S.S.R. and Ronald O. Shoop and Harold T. Johnson for the U.S. On November 24, 1974 Grand Ford, president of the United States, at the direction of Secretary of State Henry Kissinger approved it at Vladivostok, U.S.S.R.

On December 12, 1974, in Moscow, Avram Traub signed for the U.S. government a memo "in the field of environmental protection" which included the protocol signed in Anchorage on September 19. The memo was also signed by Y. Loral for the Russian government.

On April 14, 1975 there was a ceremony held at the Bethel Alaska airport in which Russia was given the formal use of Wrangel Island in the protocol of Anchorage, signed Sept. 19, 1974. The U.S. made a big concession. For the first time, it referred to the disputed real estate as "Soviet Island Wrangel."

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Chena Flood Control . . .

-Continued from page 2
been 14,000 acre-feet, retained in June 1984.

The project had been operated four times previously once in 1981 and three times in 1984. The Memorial Day weekend operation was the first time the Corps had used the project to prevent snow melt flooding. Rain caused high water in all previous operations.

The Chena's normal volume during the end of May is 3,000 cubic feet per second. The Corps estimates that the river would

have swollen to 14,000 cfs in downtown Fairbanks if the gates had not been closed on May 25. This compares to 8,000 cfs that flooded Fairbanks in August 1967 causing property damage worth \$63 million in 1967 dollars.

Though the 1967 flood was the worst it was not the only flood in Fairbanks history. Between 1963 and 1967, more than 11 major floods inundated the city, an average of one every four and a half years.

The Chena River Levee

Flood Control Project is the Army Corps of Engineer's largest civil works project in Alaska. Its main features are an 8.2 mile-long Tanana River levee and drainage channels.

Except during periods of flooding, there is no flow or reserve. When the project is activated, the flood gates in the outlet works are lowered, impounding across Chena River water in the floodway behind the dam. During major floods, water in the floodway would

-Continued on page 4

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The Alaska Economic Report

Twelve Exploration Wells, But "No News"

Feb. 28, 1985
No. 3/1985

BERING SEA "OCS REPORT"

Twelve 'major' exploration wells were drilled by six companies and partners in two Bering Sea OCS sale areas last year. Reports are that some companies may once again try their luck in St. George Basin and Norton Sound next summer and fall, but the major emphasis will now shift to the Navarin Basin OCS sale area.

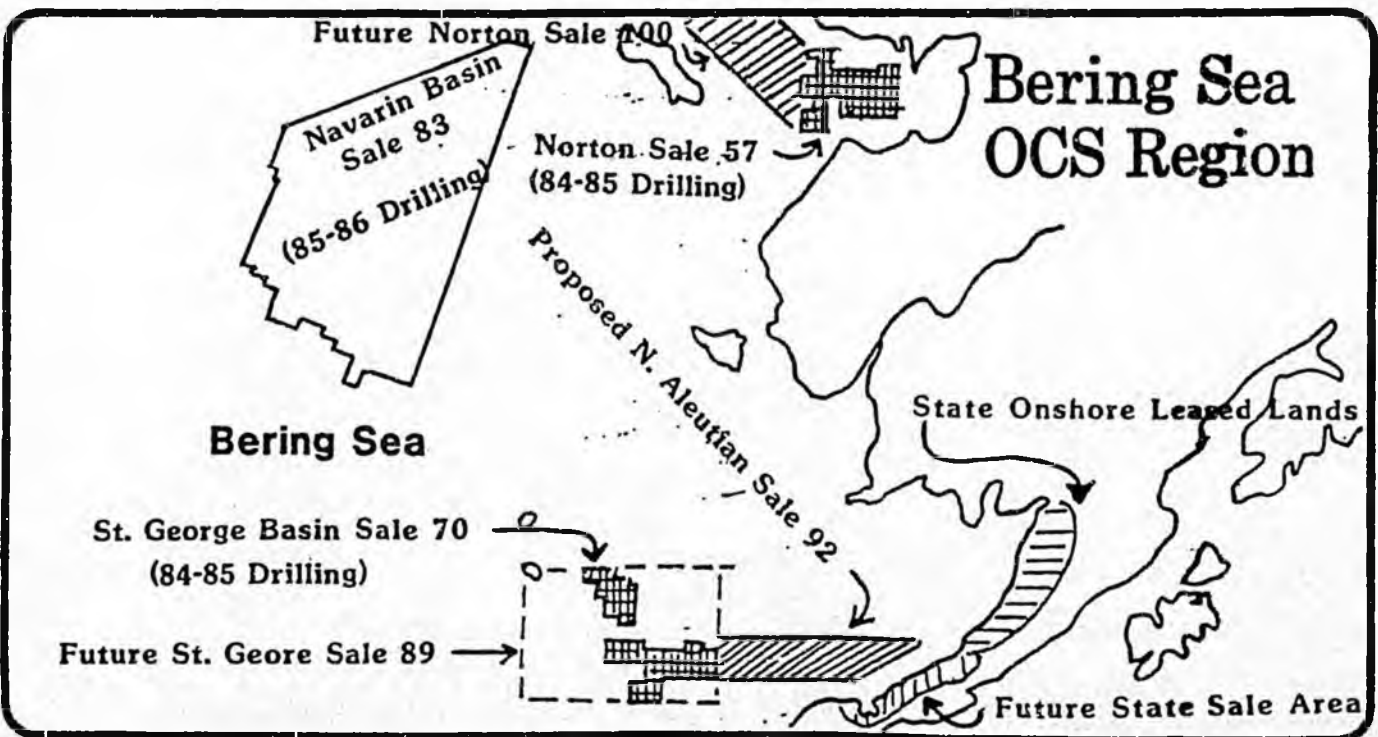
No News Is "No News"

So far companies have declined to release much information concerning results of their Bering Sea OCS efforts, but 'no news' is not necessarily 'bad news.' The releasing sales scheduled in both Norton Sound and St. George mean firms are naturally inclined to keep information tight.

However, 'no news' is also not 'good news,' since it likely means that no firm active in the Bering Sea hit a probable commercial find. Federal SEC rules require such finds to be disclosed if they are likely to have a specified percentage of impact on a firm's assets. Some companies could avoid disclosure due to their large assets.

Norton Sound

Exxon drilled two wells in Norton Sound last summer, disclosed that one of the wells proved 'dry,' but has made no disclosure on the second well. Reports are that Exxon will drill at a third well in Norton Sound this summer. (Cont'd page 8)



Alaska News Summary (Continued)

ANCHORAGE SCHOOL BILL HITS \$260 MILLION FOR 1985-86 YEAR: The Anchorage school budget approved by the school board and sent to the Anchorage Borough Assembly has cracked a quarter billion dollars. The budget would require a 'slight' school mill increase from 4.27 mills to 4.33 mills, but that assumes that state school support holds together amidst the current revenue cutbacks. If state support is cut then the budget would have to either be cut or taxes increased, or both. Additionally, projections first projected that new taxable property in the borough would be \$828 million, but those estimates have now been revised to \$563 million in new taxable property.

ALASKA STATE BANK SETS A RECORD: Alaska State bank posted a new record for itself with 1984 net income of \$3.2 million, a 33% increase over the previous year (1983). Bank assets increased from \$177 million to \$184 million over the same period.

UNITED BANK WASILLA UNIT GOES 'FULL SERVICE:' The United Bank of Alaska's Wasilla Branch began offering full service banking March 4th. David Andrews was named vice-president and manager of the Wasilla facility.

UNITED BANK ASSETS UP \$418 MILLION: United Bancorporation's assets rose \$418 million in 1984, a \$109 million or 35% jump over the year before. Net income was \$5.02 million.

NEW ALASKA PACIFIC BANK PRESIDENT: Michael J. Burns, formerly director of a Mid-western bank in Illinois, has been named president of Alaska Pacific bank, replacing ~~Boban~~ Alaska Pacific Bank had assets of \$520 million for 1984.

Bering Sea Exploration (Continued)

(from page 3) Reportedly ARCO has no plans to drill again in Norton Sound this summer.

St. George Basin

Six companies drilled nine wells in St. George Basin this last summer and fall, and one well by Shell Oil Company is 'still drilling' in St. George. Exxon and ARCO both drilled two wells in the northeastern area near the Pribilof Islands, while the two Shell wells are in the central area. Culf, Mobil, and Chevron all drilled one well. The exploration effort in St. George was pretty broadly spread across the six areas that drew leasing interest.

At this time it is unclear whether any of the companies will drill this summer, although some firms might shift to a new area. However, if companies have found an interest from 1984 work, they will likely be reluctant to 'tip off' others to their exceptional interest, since the St. George 'releasing' sale is set for September of this year.

The Navarin

The exploration emphasis this summer will shift to St. George Basin, with an advance supply base now being readied on St. Paul Island in the Pribilofs. Exxon was the first to get its Navarin exploration plan into MMS, and approval of those plans may come soon. Industry sources say Exxon, ARCO, and Shell/Amoco will each drill two wells in the Navarin next in the 1985 season.

Approaching Sales

Companies also face three new oil lease sales in the Bering Sea in the next year. Two are essentially 'releasing' sales. The St. George Sale No. 89 is scheduled to be held in September, and the Norton Sound Sale No. 100 is slated for March, 1986. The final EIS on St. George is due out in April, and the draft EIS for Norton Sound is to be released soon. The big sale this year, is the controversial North Aleutian Sale No. 92, set for December. This sale could draw state and other litigation.

PRESS RELEASE



The Conservative Caucus
Research, Analysis & Education
Foundation, Inc.

450 Maple Avenue East, Vienna, Virginia 22180

FOR IMMEDIATE RELEASE

CONTACT: Carl Olson
(703) 281-6782

GIVEAWAY OF FIVE ALASKAN ISLANDS AND EXTENSIVE OIL-RICH SEABEDS TO THE
SOVIET UNION PLANNED BY THE U.S. STATE DEPARTMENT;
25 BILLION BARRELS OF OIL INVOLVED; PUBLIC TREATY DEBATE REQUESTED

"The State Department appears ready and willing to surrender five strategic Alaskan islands and hundreds of thousands of square miles of oil-rich Alaskan outer continental shelf to the Soviet Union without full public debate and Senate ratification of a treaty," according to Carl Olson, Executive Vice President of The Conservative Caucus Research, Analysis & Education Foundation, Inc., of Vienna, Virginia.

"This giveaway of literally billions of barrels of America's oil reserves and Alaskan sovereign territory makes the Panama Canal fiasco look insignificant in comparison," Olson declared.

This giveaway was the subject of a high-level State Department delegation which went to Moscow for the week of July 23-27, 1984, headed by the department's Legal Adviser Davis Robinson and supported by his staff members Elizabeth Verville and Scott Hajost, and by Harry Marshall and Richard T. Scully of the department's Bureau of Oceans and International Environmental and Scientific Affairs, and by Robert W. Smith of the Office of the Geographer.

Secret negotiations over this surrender of sovereignty have been conducted since at least 1981. They came to light in March of this year when the Department of the Interior announced the proposed leasing of oil-rich seabeds of the outer continental shelf in the Navarin Basin off the coast of Alaska in the Bering Sea. At the instruction of the State Department, the Department of the Interior was unable to guarantee that the successful bidders for these oil and gas leases would be able to keep their leases, since this area was being actively considered for turnover to the Soviet Union. As it turned out, four energy companies (Shell, ARCO, Amoco, and UNOCAL) were so certain of rich petroleum finds that they bid \$108,000,000 for leases in the seabed tracts that are currently being held hostage to the State Department's negotiations. Because of the potential giveaway, these companies have over \$21,000,000 tied up in deposits with the Department of the Interior for an indefinite time period, hundreds of potential jobs are imperilled, and hundreds of millions of dollars of revenues and billions of barrels of oil are at stake.

The enormous size of the giveaway of strategic oil reserves is reflected in official Department of the Interior estimates. The oil-rich outer continental shelf off Alaska is equal in area to six Californias--or three-quarters of the entire U.S. outer continental shelf. Seabeds equal

to about twice the size of California lie to the east of the 1867 Convention Line, and seabeds equal to about four Californias lie to the west in the vicinity of the Alaskan islands of Wrangell, Herald, Bennett, Henrietta, and Jeannette. The estimated hydrocarbon reserves of the seabeds to the east of the 1867 Convention Line are 12.2 billion barrels of oil equivalent. (The Navarin Basin alone contains 1.9 billion barrels of reserves.) To the west of the 1867 Line, which has twice the area, the reserves have not been officially estimated, but it would not be unreasonable to place them at twice the amount for the area to the east of the line. Or, in other words, the State Department is contemplating giving away about 25 billion barrels of oil equivalent to the Soviets.

The State Department's basis for the giveaway involves its novel (and incorrect) portrayal of the "U.S.-Russia Convention Line of 1867", which was used in the purchase of Alaska from Russia in 1867 for \$7,200,000.

This stance by the State Department appeared in the Federal Register notice of the leasing of the Navarin Basin (p. 10065, March 16, 1984). In paragraph 16, under the heading "Jurisdiction", was the following language: "The differing claims relate to differing depictions of the line established by the 1867 Convention Ceding Alaska between the United States and Russia. The United States depicts the 1867 Convention Line as the maritime boundary by arcs of great circles while the Soviet Union depicts the 1867 Convention Line as rhumb lines." There is no question in the State Department's position that the 1867 Convention Line is "the maritime boundary".

Contradicting this characterization is a mass of historical evidence and even the State Department's own words. In the State Department's International Boundary Study No. 14 (revised 1965) on "U.S.-Russia Convention Line of 1867", the language is very clear:

"Rather than a boundary per se, this report concerns a convention line which ordinarily appears on official maps in the same manner as a boundary. ...

"Furthermore, in keeping with the policy that the line does not constitute a boundary, the standard symbol for the representation of an international boundary should never be used."

So far, the State Department has failed to explain how the United States has relinquished its claim to the islands and seabeds between 1965 and 1984. No treaty, agreement, or other public understanding had been cited for this surrender of American sovereignty.

Even as late as 1978 the noted authority Dr. William E. Butler, Professor of Comparative Law at the University of London, wrote in the book International Straits of the World, Volume 1 "Northeast Arctic Passage" as follows:

"The Russo-American Convention Line of 1867 is not regarded as a state frontier, and the continental shelf boundary in the Chukchi Sea and northward remain to be negotiated."

The five Arctic Alaskan islands--Wrangell, Herald, Bennett, Henrietta, and Jeannette--were never considered in the purchase of Alaska. Four had not yet been discovered in 1867. Americans discovered and claimed them on Arctic expeditions in following decades. Herald Island was discovered

and claimed by the British in 1849, and was later acquired by the United States.

Bennett, Henrietta, and Jeannette Islands were discovered and claimed by U.S.N. Commander George Washington DeLong aboard the Jeannette in the 1879-81 expedition. The islands still bear his name (the DeLong Islands), and the U.S. Naval Academy in Annapolis has a monument to that expedition.

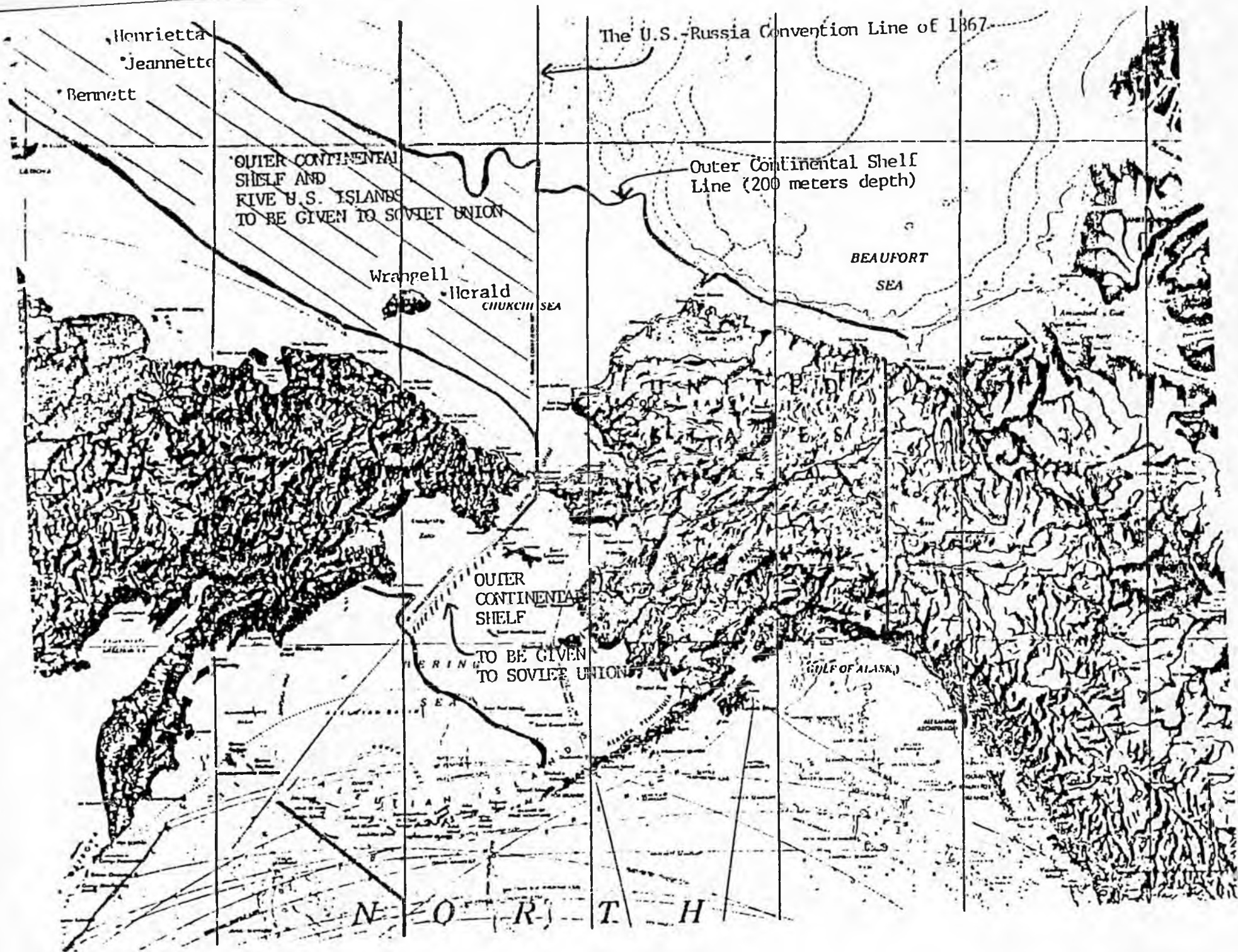
Wrangell Island, the largest of the five with an area of 2,800 square miles (the size of Rhode Island and Delaware combined), was discovered and claimed on August 12, 1881, by Captain Calvin Leighton Hooper aboard the U.S. Revenue Marine (Coast Guard) ship Thomas Corwin. Among the landing party on Wrangell Island was the famed explorer John Muir, who wrote of his trip in the book The Cruise of the Corwin. Various surveys, expeditions, and settlements were made on Wrangell Island in the next four decades by Americans. This ended when the Soviet Union invaded the island with a landing of infantry from the ship Red October on August 20, 1924, and took as prisoners the 14 Americans of the Lomen Brothers Company's fur settlement and confiscated all the gear, pelts, and other property. The 12 surviving Americans were eventually released from their imprisonment in Vladivostok. The Soviets currently maintain slave labor camps on the island.

It is significant to note that in the State Department's reissue of the book Digest of International Law by Green Haywood Hackworth in 1973, the unequivocal settlement is made: "The United States has not relinquished its claim to Wrangell Island."

Numerous efforts by various parties, including the owners of Wrangell Island, have been made over the decades to take back their property and collect damages for the unlawful occupation by the Soviet Union. Unfortunately, the State Department has not seen fit yet to honor those claims or even the decision by the Foreign Claims Settlement Commission in 1959 in favor of the Lomen Brothers.

"This impending giveaway of the five islands and the enormous tracts of oil-rich outer continental shelf to the Soviets demands the most searching public scrutiny and debate. It must be made an issue for a national decision-making," Olson stated. "The State Department is not empowered to surrender American real estate and seabeds. Only the Congress has that power. It must be brought up in the form of a treaty, signed by the President, and debated and ratified by the Senate in order to receive the full force of law. The Constitution cannot be ignored in this potentially massive cession of strategic American interests so close to home."

In an ironic comparison with the apparent lenient attitude that the State Department has exhibited toward the Soviets over the seabed boundaries, the State Department has adopted a hardline position toward our ally Canada over the seabed boundary between Alaska and Canada in the Arctic. This position came to light with the leasing on August 22 of the Diapir Field which borders Canada. The Federal Register announcement of July 23, 1984 (p. 29726) noted a "Jurisdictional Dispute" with Canada over some of the blocks being offered. Although the notice did not say so explicitly, the U.S. position is that the seabed boundary should reflect the "equidistant" theory of boundaries, while the Canadians want a more favorable drawing of the line. While this dispute continues, the three petroleum companies which bid on these leases (Union Oil Co. of Calif., Amoco Production Co., and Shell Western E & P Inc.) will have their bid money deposit lie in escrow. Their total winning bids for the four blocks totalled \$5,105,000--a substantial affirmation of the rich nature of the Arctic Alaskan outer continental shelf.



Soviets harass oil drillers working in Navarin Basin

By PATTI EPLER
Daily News business reporter

Companies searching for oil and gas off Alaska's coast often have to contend with migrating whales and shifting ice packs.

But this summer, offshore drillers in the Bering Sea were plagued by Russian airplanes and gunboats.

It was an occurrence so frequent and so close to the rigs that U.S. State Department officials twice protested to the Soviet government.

U.S. Sen. Frank Murkowski, R-Alaska, lashed out at

the Soviets on the Senate floor in July, urging the State Department to file a formal protest with the Soviet Union. Murkowski said the Soviets "deliberately harassed" U.S. companies involved in energy exploration in the Navarin Basin, about 250 miles off the west coast of Alaska.

Murkowski said Russian aircraft caused "dangerous interference" in the safe operation of American helicopters ferrying crews and supplies to the rigs.

See Back Page, SOVIETS

Soviets harass oil well drillers working in Navarin Basin

Continued from Page A-1

A University of Alaska research vessel — the Alpha Helix — also was approached by a Soviet gunboat that pulled to within a few hundred feet. The Russian ship refused to respond to signals from the university vessel questioning the Soviet's intentions, Murkowski said.

The Navarin Basin lies partly in an area of the Bering Sea claimed by both the United States and the Soviet Union. The basin has been touted as a good prospect for oil and gas discoveries.

Three oil companies — Exxon USA Co., Amoco Production Co. and ARCO Alaska Inc. — drilled exploratory wells in the basin this summer.

The dispute with the Russians centers on an imaginary line that divides waters

claimed by the United States from waters claimed by the Soviet Union. The Russians use a "straight rhumb line" as the boundary, while America believes it to be the "curved great circle route" on a globe. Each claims its interpretation of the 1867 convention — under which the United States bought Alaska from Russia — is the correct one.

The difference in the 1867 Convention Line adds up to about 18,000 square miles of icy, black ocean where the federal government already has sold 17 leases to American oil companies. Those companies have been prohibited from drilling in the disputed area until the question is resolved.

But the companies have been drilling close to the disputed zone.

Amoco spudded a well about 10 miles from the boundary this summer. The

well the company currently is drilling is about 150 miles from the boundary, according to an Amoco spokesman.

Exxon drilled two wells in the Navarin Basin this season. The closest was about 31 miles from the disputed boundary, Exxon spokesman Milton Alberstadt said.

Exxon and Amoco both reported about 10 "contacts" with Russian aircraft and gunboats — seven airplanes and three gunboats. The incidents occurred between June 21 and Aug. 14, Alberstadt said.

Murkowski told the Senate that 11 contacts had been made with Soviet aircraft and seven with Russian gunboats between June 22 and July 16. Those contacts included interceptions of Soviet bombers by Alaska-based Air Force jet fighters, he said.

The contacts occurred with enough frequency that Exxon

installed aerial surveillance radar, Alberstadt said, so helicopters flying to the rigs in fog and foul weather would be aware of the presence of other aircraft in the area.

In July, Murkowski — along with Alaska Sen. Te Stevens and Rep. Don Young — wrote Secretary of State George Shultz to protest the continued overflights of U.S. drilling rigs.

William L. Ball III, assistant secretary of legislative and governmental affairs for the State Department, told the congressional delegation that the federal government had twice protested to the Soviet government because of the "clear danger" to American personnel.

The overflights and sightings of ships apparently stopped in August and the State Department expressed no further concerns to the Soviets, Ball said.

Oil firms to appeal drilling ban

By PATTI EPLER
Daily News business reporter

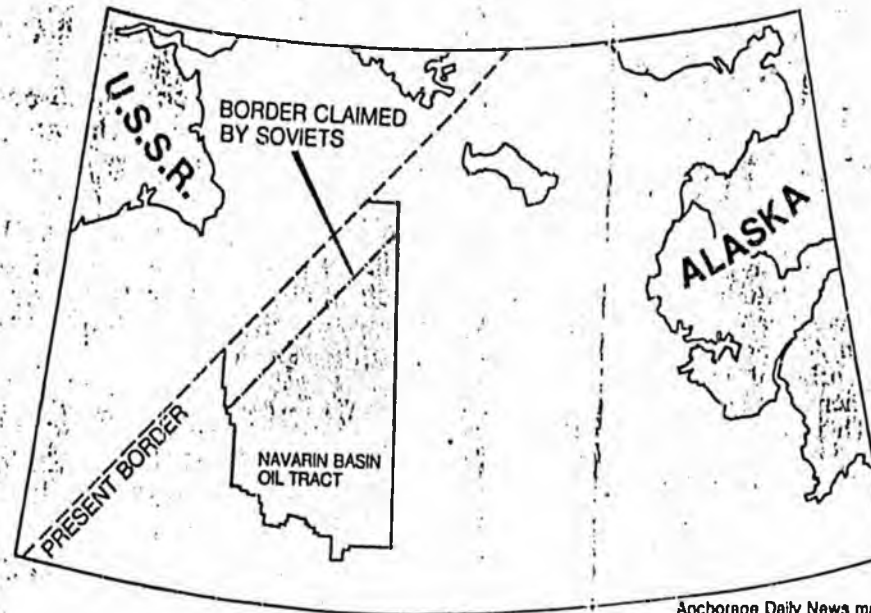
Oil companies operating in two frontier areas off Alaska's west coast will appeal last week's court decision that banned drilling because the federal government failed to consider the impact on subsistence.

Ted Neptune, a spokesman for Amoco Production Co., said his company and others drilling in the Navarin Basin and Norton Sound expect to convince an appeals court or the U.S. Supreme Court there is no valid reason to prevent continued drilling in the areas.

The Navarin Basin, 250 miles off Alaska's west coast, encompasses about 37 million acres. The Norton Sound lease area, 25 miles off Nome, is about 2.4 million acres.

The 9th U.S. Circuit Court of Appeals ruled Friday that Interior Secretary Donald Hodel did not properly consider the effects of oil industry activity on subsistence when the government leased the offshore areas in 1983 and 1984.

The villages of Gambell and Stebbins, and the Native environmental group Nunam Kitlutsistl, had asked the court to invalidate



the leases.

A federal judge in Alaska let the drilling proceed, saying the drilling was important in the nation's quest for new oil supplies.

But the appeals court said the national concern for the survival of the Native culture must prevail over possible energy needs.

The appeals court ordered the lower court judge to issue an

injunction, that would stop the drilling until a trial on the merits of the case, can occur.

Neptune said Amoco was continuing to drill its fifth and final well planned for the Navarin Basin this season. The Nancy well is expected to be finished by the first week in December "unless delayed by weather or the injunction," he said.

Amoco has spent more than \$100 million on its five wells, he said.

ARCO Alaska Inc. drilled a well in the Navarin Basin this summer and plugged it last week before the court ruling was handed down.

Exxon USA Co. also had finished drilling its two Navarin Basin wells by the time the decision was issued.

Ann Shields of the U.S. Department of Justice in Washington, D.C., said Wednesday the government has not yet decided whether to appeal the ruling. She said the government has a few more days to make that decision.

Jim Bamberger, an Alaska Legal Services attorney who represented the villages, said the appeals court decision affects only the two lease sales that were challenged.

But the ruling does reaffirm Congress' intent in passing the 1980 Alaska lands act that no leases can be issued on public land without a clear determination of the effect on subsistence, he said.

Attorneys did not expect the case to go to trial for several months.

An oil prospect by any other name . . .

By ATTY EPLER

Daily News business reporter

Somewhere in the middle of the Bering Sea, in off-Alabama-sized swath of icy black ocean, claimed by both the United States and Russia, is a large bluish in the Earth's crust named Ronnie.

To some, Ronnie may be the president of the United States. But to scientists at a major U.S. oil company, Ronnie is a geological structure that may contain large amounts of oil and gas.

Ronnie sits smack on the border of the disputed zone. He was discovered by Amoco Production Co. scientists who decided to score one for democracy by naming their activity in the disputed area after the president.

A dozen years ago, Amoco identified another good-looking warp in the Navarin Basin, not too far from Ronnie.

Company officials thought about calling it Nikita, because it was close to the disputed zone. But a company executive balked. He didn't want to name a project that likely would cost several hundred million dollars after an anti-capitalist Soviet premier. The area, now called Danielle, finally was drilled this summer.

Ronnie and Danielle are just two of hundreds of areas in Alaska and off its coast identified by oil companies as potentially containing oil and gas.

An oil prospect, as these areas are called, is any irregularity in the earth, says Roger Harris, a project geophysicist for Amoco.

"If it was just flat, layer-cake sediments and gas," they would be no traps for oil and gas.

Many turn out to be dry holes. Many more may never be explored because of the high cost of looking for oil in the arctic.

When you get out of sight of land in the Beaufort and look around, the only thing you can think of naming something is 'Iceberg.'

— Roger Harris, geophysicist

But each has a name, given to it by geologists or geophysicists who usually spend years studying the prospects and trying to decide if their company should invest millions of dollars for the chance to look for oil.

Naming the oil prospect is perhaps the most unscientific aspect of an otherwise highly technological business.

Scientific and computerized gadgets are used to measure the likelihood of oil and gas. But the names, they often depend on the whims and personalities of the people involved.

For instance, one company decided to name its prospects after bears.

A recent Amoco naming scheme was a bit more involved. The company decided to dub its Beaufort Sea prospects after arctic explorers. They only trouble so far is that names like Pythons, Thorgrist, Belcher and Raoul aren't quite as easy to remember as Bud, Coors and Miller.

The name is important, especially in the highly competitive and secretive oil business. Names are given to the prospects primarily for security reasons, says Dan

Jones, exploration coordinator for Exxon in Alaska.

The name becomes a secret code, something that allows companies to talk about their prospects without letting anyone know the location, size and other oil officials say.

Naming prospects is considered a perk for geologists and geophysicists. Individual prospects start as a malmass of lines on a seismic graph but later seem to take on an identity of their own, especially as it comes time to bid on prospects at lease sales.

Because different companies often bid on the same piece of ground, one prospect can have several names. Companies also bid together to spread the risk of investment, so one company's Natasha could be another's Redwood.

A prospect being drilled this season in the Beaufort Sea is called Hammerhead (a shark) by one partner, Wally (an arctic explorer) by another and T'ingiao (a bear) by a third. Hammerhead is the name that will stick, because it is the chosen name of the operator of the well.

Oil prospects in and around Alaska have been named after glaciers and mountains, ranges, constellations and cars, planets and satellites.

Some have earned a few lines in Alaska history books, like the ill-fated Mukluk prospect, the most expensive dry hole in the state.

Ronnie has lots of company in its lumb thousands of feet beneath the ocean floor. Scattered throughout his Navarin Basin are Nancy and Nicole, Misha, George, Francis, Earl, Debbie and Don, to name a few.

To the north, in the Beaufort Sea where oil companies have been drilling for several

See Page J-2 NAMING

Naming prospects

Continued from Page J-1

years, Venus, Mars and Jupiter are surrounded by Mariner, Voyager and Explorer. The planets were selected in an early Beaufort lease sale, and the satellites used in a subsequent sale.

Cascade and Chugach can be found in Norton Sound; St. George Basin is home to the glaciers of Portage, Mendenhall and Tustumena.

There are birds, cars and specks of fish. But there are no Turkeys and no Edsels, nothing that would hint of bad luck to the multibillion dollar projects.

An oil prospect with a weird name almost always is offshore. On land, companies tend to name the prospects after mountains, rivers, towns or some other physical feature close by.

But offshore, there is nothing but vast acres of water.

"When you get out of sight of land in the Beaufort and look around," says Harris, "the only thing you can think of naming something is 'Iceberg.'"

Mark Shahly is a geophysicist with Amoco. He works on prospects in the Beaufort Sea.

He recently named a prospect Belcher. It didn't take much thought; in fact, he didn't have time to think about it.

"I was on my way to a meeting and realized I didn't have a name for my prospect yet," Shahly says. "So I just picked the next one down on the list."

Shahly says he really didn't know much about arctic explorers until the company decided to name prospects after them. Now, he can run through the whole list: Franklin, whose expedition ended in disaster; Belcher, who was sent to rescue Franklin; Hendrick, an Eskimo guide.

Shahly says there is one significant thing about his prospect: he thinks it will turn out to be better than the Franklin prospect, just as Belcher was more fortunate than the beleaguered Franklin so many decades ago.

Most of the scientific work as well as the naming process is done Outside, at company offices in Los Angeles, Houston and Denver. So most of the names are selected by people who have never seen the area they are christening.

Says Amoco's Harris: "Most of the people who adopted Raoul and Hans and Belcher and Eric never got north of maybe a group meeting in Seattle."

Perhaps that's why some Amoco scientists aren't convinced that Prospect Wally really is named after explorer Wally Herbert, who spent 470 days skiing from Point Barrow to Spitsbergen, an island near Norway.

Rumor has it that Wally really was named after one geophysicist's brand-new puppy.

Post Office Box 956
Vienna, Virginia 22180-0956
United States of America
703-281-9050

Issue Number 13
October 1985
Contact: Carl Olson

**Potential State Department Giveaway of Oil-Rich Seabeds in Bering Sea to Soviets
Imperils Leases of Four Major Oil Firms; Refund Regulations Asked of Interior Dept.**

The State Department has gone to great lengths to conceal its prospective giveaway to the Soviet Union of petroleum-rich seabeds in the Bering Sea, it was charged by Carl Olson, Chairman of the Fund For Stockowners Rights, headquartered in Vienna, Virginia.

"The State Department has defied congressional inquiries for several months, has stalled a Freedom of Information request for over a year, and has refused outright to reveal the names and titles of the negotiators who have been involved in the giveaway negotiations over the past five years," Olson stated. "We know that the State Department has been even more secretive since we revealed their negotiation round with the Soviets in Moscow in July 1984 over this high-stakes matter."

Stockowners of America find their corporations' investments in the Bering Sea imperilled because of the State Department's irresoluteness in face of the Soviets' demands for 15,400 square miles of seabeds in the Bering Sea that are known to be rich in petroleum and fishery resources. Stockowners of Shell, Amoco, ARCO, and Unocal are especially affected because of the 17 suspended oil and gas leases in the Navarin Basin which fall in the area that the State Department has identified as potentially transferable to the Soviet Union.

"We believe that the State Department has already proposed a compromise of American territory to the Soviets, and that the maps and coordinates are among the documents that the State Dept. is now unconscionably withholding in a Freedom of Information case," Olson asserted. "I just hope this giveaway is not part of the upcoming 'Summit' meeting between Reagan and Gorbachev."

The State Department revealed that it had asserted that the "maritime boundary" between the United States and the Soviet Union was the 1867 U.S.-Russia Convention Line, according to a notice published in the 16 March 1984 Federal Register which related to oil and gas leasing in the Navarin Basin of the Bering Sea (p. 10065). (There has never been a public accounting as to how the State Department established a boundary between the United States and the Soviet Union without the signing of a treaty.)

At that time the State Department stated that the 1867 U.S.-Russia Convention Line is depicted as an arc-of-a-great circle (i.e. the shortest distance between two points on a globe), while the Soviet Union wanted the Convention Line to be depicted as a rhumb line (i.e. a straight line on a mercator projection flat map). The Soviets' depiction of the Convention Line, extending from the Bering Straits to the end of the Aleutian Chain, lies several miles to the east--thus resulting in 15,400 square miles more of seabeds.

The four oil companies bid over \$108 million for the exploration rights in just the Navarin Basin portion of the Convention Line in April 1984. Their leases have been held up by the State Department's failure to back up its own declaration. In order to encourage the State Department to live up to its own convictions, Alaskan State Representative Roger Jenkins has authored a resolution that is co-sponsored by nearly half of that body.

While the oil and gas leases in this prime territory are allowed to languish, the Fund For Stockowners Rights has proposed that the four oil companies be allowed to get their bid deposit monies out of escrow and be able to use this \$21 million on other projects until such time as the Bering Sea seabeds are made safe for Americans by the American State Department. (See text over for the proposed regulation amendment.)

FUND FOR STOCKOWNERS RIGHTS

Post Office Box 956
Vienna, Virginia 22180-0956
United States of America
703-281-9050

8 October 1985

Hon. Donald Hodel
Secretary of the Interior
Department of the Interior
Washington, D.C. 20240

RE: Proposed Regulation--
Funds in Escrow for Oil/Gas Leases
Due to U.S./Soviet etc. Depiction
Disputes (Navarin Basin et al)

Dear Secretary Hodel:

This is a request to adopt an amendment to 30 CFR 256.47e to redress a grievous wrong and financial hardship to oil and gas exploration companies which have been forced to have significant funds tied up in escrow accounts of the Department of the Interior for the indefinite future due to the inability of the State Department to prevail in its dispute with the Soviet Union over the depiction of the 1867 U.S.-Russia Convention Line in the Bering Sea.

As you may know, an emergency rule-making was published in the Federal Register on 16 March 1984 (p. 10056) by the Minerals Management Service, which addressed the situation of the impending Navarin Basin oil and gas lease sale 83 in April 1984. Normally such leases are awarded within 90 days of the selection of the winning bids, and the 20% "bonus bid deposits" are applied against the winning total bids (with the losing bid deposits being refunded to the losing bidders). However, in the case of a situation when the Interior's authorized officer does not want to award the lease within the 90 days due to a territorial dispute with a foreign government, the bonus bid deposits must remain in escrow accounts at Treasury rates until either the lease is awarded or five years transpire.

In the case of the Navarin Basin, the winning bids of \$108,174,000 on 17 blocks by Shell, Amoco, ARCO, and Unocal have resulted in over \$21 million of these companies' funds being tied up in escrow accounts for over a year now. This creates a significant financial hardship for these companies and their stockowners, since the funds are earning only the Treasury rate-- which is considerably below the expected return on productively invested funds.

Our proposal would be to amend the regulation to allow all such winning bidders to withdraw their bonus bid accounts after 90 days without losing any rights to the eventual awarding of the leases. In the immediate case of the Navarin Basin (and others along the Convention Line), the State Department has so far failed to announce any timetable for resolving its negotiation with the Soviet Union; and thus its irresoluteness should not become a basis for punishing the energy companies which, thru no fault of their own, find millions of dollars tied up in non-energy producing accounts.

Sincerely,


Carl Olson
Chairman

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Lm file 16
BOD

Alaska fears U.S. giveaway of oil reserve Soviets covet

By Bill Kling
THE WASHINGTON TIMES

ANCHORAGE, Alaska — Some Alaskan state legislators fear the United States may be about to settle a long-standing boundary dispute with the Soviet Union by ceding to the Russians a potentially petroleum-rich stretch of the Bering Sea.

Because the area is somewhat removed from Alaska's shores, the issue has not yet attracted wide attention from many Alaska public officials, most of whom are focusing right now on oil development and environmental concerns of their state's Bristol Bay.

But Roger Jenkins, a Republican state representative from Anchorage, has the support of 16 of his fellow Alaska House members as co-sponsors of his pending resolution protesting any giveaway of what they contend is U.S. territory.

With underwater oil exploration of the outer continental shelf a hot political item here, the lawmakers are concerned about the possible deal, which could involve five islands they claim really belong to Alaska, as well as hundreds of thousands of miles of surrounding seabeds.

At the annual meeting of the U.S. Conference of Mayors just concluded here, former Alaska Gov. Jay Hammond concurred that the issue could be an important one, "but right now we have no idea what the oil resources are in that area."

Gerry O'Connor, an Anchorage assemblyman, said Bristol Bay oil development is the dominant factor here right now, and Chip Dennerlein, Anchorage's director of intergovernmental affairs, said Mr. Jenkins' efforts are generating the first information many Alaskans have heard on the issue.

At issue in negotiations already under way between the two superpowers is a part of the off-shore Navarin Basin oil and gas lease area, including Wrangell Island, which the Soviets wrested by force from Nome-based

merchants in 1924, sending 14 Americans to Siberia. The island is believed to be the site of Soviet slave labor camps as well as military installations targeted on the United States.

The boundary is in dispute because of differences in the way the United States and the U.S.S.R. interpret the 1867 convention under which the United States bought Alaska from Russia. The United States believes the boundary is described in the convention as a great circle while the Soviets contend it should follow a constant compass bearing.

Negotiations over the boundary, began in earnest last July when a State Department team journeyed to Moscow for talks the Associated Press said were "seen by diplomatic observers as another in a series of steps taken in recent days by the Reagan administration to try to improve relations with the Soviet Union."

Other islands in the negotiations begun several years ago between the United States and the Soviets are Bennett, Henrietta and Jeanette, which were discovered after the Alaska purchase, and Herald, which was discovered by Great Britain in 1849 and later ceded to the United States.

Wrangell Island was discovered in 1881 by a landing party that included the famed explorer, John Muir.

Four energy companies have deposited more than \$21 million with the Interior Department on their bid of \$108 million to lease sections of the Navarin Basin for oil and gas exploration.

Mr. Jenkins, in an interview, said he hopes to generate enough interest in the issue "to win approval of our resolution in the next session of the Legislature next year."

Since the issue arose last year, opposition to ceding the territory to the Soviets has been expressed by the Daughters of the American Revolution, the Military Order of the World Wars and the Young Americans for Freedom. The Conservative Caucus has sought to spread information about it.

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OCCASIONAL PAPERS
OF THE
CALIFORNIA
ACADEMY OF SCIENCES

No. XXIV

The Discovery of
Wrangel Island

By SAMUEL L. HOOPER

COMMITTEE ON PUBLICATION

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SAN FRANCISCO
PUBLISHED BY THE ACADEMY • 1954

24 CALIFORNIA ACADEMY OF SCIENCES [OCTOBER 1954]

the land, I felt relieved to be in clear water, and did not despair of ultimate success."

The movement of the ice due to the set of the currents made it necessary to change positions several times during the night. At 4:30 a.m. the *Corwin* again entered the ice and this time with all preparations made to reach the land by crossing the ice if necessary, using the sledges and taking along the skin boat for crossing any open leads that might be encountered. However, as they fought their way closer to the land ice conditions improved. Inside the ten-fathom curve they found much of the ice aground while the floating portion was drifting past and occasionally shooting up over the top of the grounded pieces. Navigation under these conditions was neither comfortable nor safe, but they all felt that the land was now actually within reach and they pushed on. The captain's notes for that important day (see figure 3) read:

Friday, August 12, 1881. Lat. 71-04 Long. 177-40 off Wrangle (sic.) Land. Got under way at 4:00 a.m. and steamed in toward the end of the lead and into the ice at 7:00 a.m. After a good deal of humping and squeezing we reached the land and anchored in a small clear space off the mouth of a small river. Went on shore and took possession in the name of the U.S.

This landing unquestionably established a valid claim to the area on the part of the United States. Muir in his text says, "A notable addition was made to the national domain when Captain Calvin L. Hooper landed on Wrangell Land and took formal possession in the name of the United States." Later the great Arctic explorer Vilhjalmur Stefansson in his book, *The Adventure of Wrangel Island*, describing an expedition undertaken in 1921 wrote, "... following 1881 ... the island was United States territory."

Many years later the Soviet claimed that Lieutenant Wrangel had actually discovered the island but unfortunately for their claim, Wrangel himself in his book, *The Narrative of a Voyage to the Polar Seas in the Years 1821, 1822, and 1823*, which was written long enough after his experiences so that he had plenty of time to make any changes or corrections, wrote "with a painful feeling of the impossibility of overcoming the obstacles with which nature had opposed us, our last hope vanished of discovering the land which we yet believe to exist ... we had done what duty and honor demanded, further attempts would have been absolutely hopeless and I decided to return." Wrangel located on his chart "from native report" the land which "we believe to exist" but he placed it some distance west of where it actually turned out to be located.

No. 24 HOOPER: DISCOVERY OF WRANGEL ISLAND

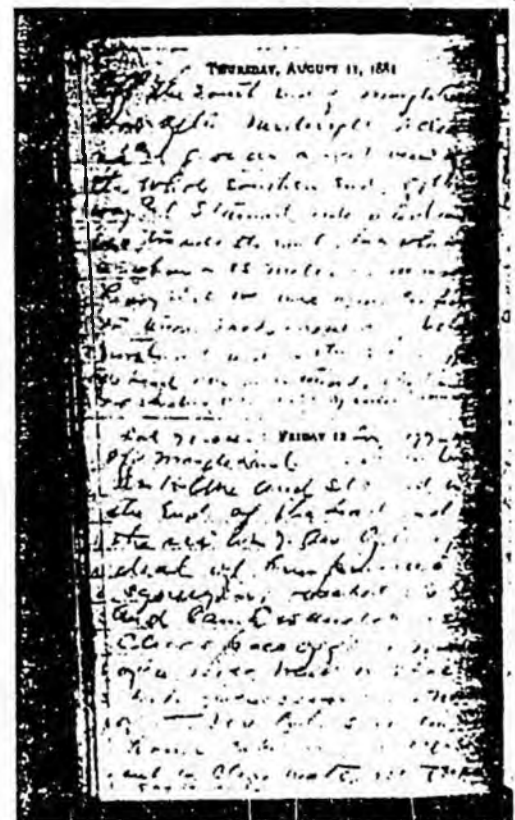


Figure 3. The original account of the discovery of Wrangel Island in the captain's own handwriting. This entry in his diary was written at the scene on the very day of the landing.

No. 24 HOOPER: DISCOVERY OF WRANGEL ISLAND 25

As soon as the official shore party had completed the formalities of discovery, a careful search was made along the shore in each direction for evidences of a landing of any kind. After several hours of searching it became impossible to remain at anchor any longer and a gun was fired to recall all shore parties. Leaving an American flag flying and a complete record of their visit the *Corwin* now worked her way out to the lead.

She was soon in open water and making all speed with steam and sail across the Arctic Ocean but this time with the Polar ice on her port beam. Having found no records of the *Jeannette* on either Herald Island or Wrangel Island, for the very good reasons as we now know that the De Long party had never touched on either of them, the *Corwin* was hastening to Point Barrow in hopes of rendering assistance to the *Daniel Webster* in case she was still in the ice. On the way, however, they spoke the whalers *Hawland* and *Rainbow* and learned from them that the *Daniel Webster* had been crushed in the ice and that part of her crew had reached Point Barrow. The remainder were supposed to still be on the pack. Upon learning this the *Corwin* skirted the Alaskan coast line closely and kept a careful watch for signs of any who might have reached the land before the ice went offshore. Constant contact was also made with the native villages along the way and many reports of the wreck were received, all of which were in some agreement.

Point Barrow was reached on August 16 and several whalers, which had arrived only a few hours earlier, were found at anchor there, the ice having gone offshore the previous evening. The crew of the *Daniel Webster* were all at Point Barrow and every man accounted for. They were divided up among the whalers except for nine men who had their fill of whaling and "wanted out." These were taken on board the *Corwin* to be returned to civilization and extra supplies were distributed to the other ships to allow for the extra hands taken aboard.

While the *Corwin* was at Barrow the bark *Legal Tender* arrived, bringing the first mail they had received since leaving San Francisco; the *Legal Tender* had sailed from there on June 11. Since she was leaving at once, loaded with surplus bone and oil from the whaling fleet, the crew of the *Corwin* sent mail sacks aboard for their dear ones at home.

On August 19 the *Corwin* sailed for Cape Lisburne hoping to again take coal from the mine, but a strong northeast wind had kicked up such a sea that hauling coal was out of the question. The night of the nineteenth was the first night that could be called dark; until then the nights had merely been long twilights. On August 22 they passed close to the Diamonds but never saw any part of them on account of

THE CRUISE OF THE CORWIN

Journal of the Arctic Expedition
of 1881 in search of De Long
and the Jeannette

BY
John Muir

EDITED BY
WILLIAM FREDERIC BADE



BOSTON AND NEW YORK
HOUGHTON MIFFLIN COMPANY
222 Albany Street, Cambridge
1917

CHAPTER XV

THE LAND OF THE WHITE BEAR

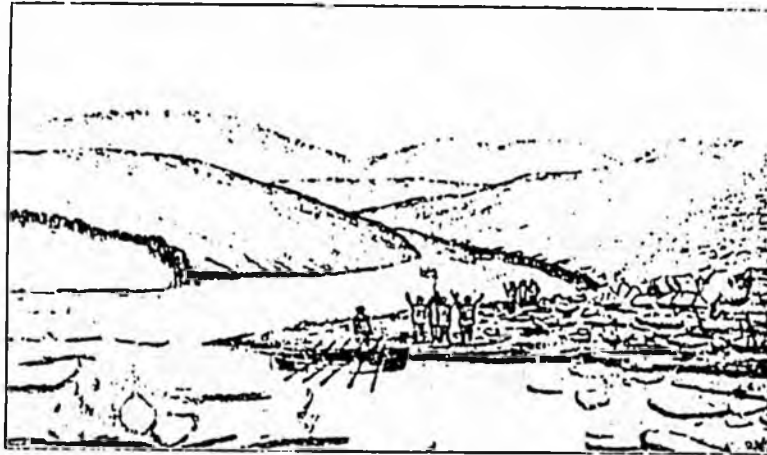
[*Stranger Corwin,
Wrangell Land, August 12, 1881.*]

A NOTABLE addition was made to the national domain when Captain Calvin L. Hooper landed on Wrangell Land,¹ and took formal possession of it in the name of the United States. We landed near the southeast cape, at the mouth of a river, in latitude $71^{\circ} 4'$, longitude $177^{\circ} 40' 30''$ W.. The extent of the new territory thus acquired is not definitely known, nor is likely to be for many a century, or until some considerable change has taken place in the polar climate, rendering the new land more attractive and more accessible. For at present even its southmost portion is almost constantly beset with ice of a kind that renders it all but inaccessible during both the winter and summer, while to the northward it extends far into the frozen ocean.

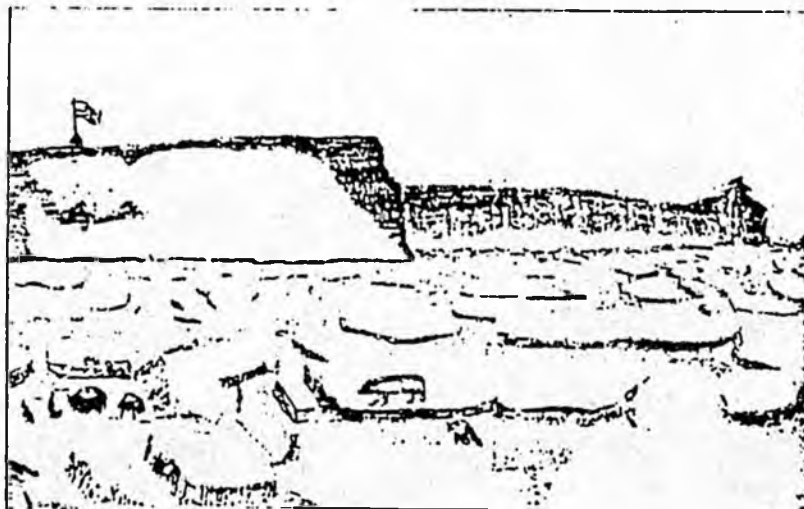
Going inland, along the left bank of the river, we found it much larger than it at first appeared to be. There was no snow left on the lowlands or any of the hills or mountains in sight, excepting the remnants of heavy drifts; nevertheless, it was still

¹ The landing was made August 12, 1881.

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FIRST LANDING ON WRANGELL LAND



THE AMERICAN FLAG ON WRANGELL LAND, NEAR S.E. CORNER

from THE CRUISE OF THE CORWIN by John Muir.
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48TH CONGRESS, }
1st Session. }

SENATE.

{ Ex. Doc.
{ No. 204.

REPORT

OF THE

CRUISE OF THE U. S. REVENUE STEAMER

THOMAS CORWIN,

IN THE

ARCTIC OCEAN,

1881.

BY

CAPTAIN C. L. HOOPER, U. S. R. M.,
COMMANDING.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1884.

LETTER
FROM
THE SECRETARY OF THE TREASURY,

TRANSMITTING,

In response to Senate resolution of February 27, 1884, the report and papers of Capt. C. L. Hooper upon the second cruise of the revenue steamer Corwin.

JUNE 30, 1884.—Referred to the Committee on Commerce and ordered to be printed.

TREASURY DEPARTMENT,

June 24, 1884.

SIR: Respectfully referring to the Senate resolution directing that the Secretary of the Treasury furnish to the Senate a copy of the report of Capt. C. L. Hooper, United States Revenue Marine, upon the second cruise of the revenue steamer Corwin in the Arctic Ocean, and its accompanying documents and illustrations, in possession of the Department, I have the honor to transmit herewith the report and papers mentioned.

Very respectfully,

H. F. FRENCH,
Acting Secretary.

Hon. GEORGE F. EDMUNDS,
President pro tempore of the United States Senate.

REPORT

OF THE

SECOND CRUISE OF THE STEAMER CORWIN.

The Corwin sailed from San Francisco on May 4, 1881, at 1 p. m., accompanied out of the harbor by the revenue steamers Rush and Hartley, and a number of vessels of the San Francisco yacht fleet, under command of Commodore Harrison.

Moderate weather prevailed until the 15th instant, when, within 50 miles of Unalaska Island, heavy gales and snow storms were encountered.

On the morning of the 16th the island was seen bearing northwest, distant 40 miles. Soon after it began snowing and the weather became so thick that we were compelled to proceed with great caution, and did not reach the entrance of the pass between Unalaska and Onalga Islands until noon, when, owing to the rough state of the sea caused by a strong current running against the northwest gale which was blowing, we were glad to turn back and run into Beaver Harbor, barely escaping the loss of our boats.

The Onalga Pass, although very rough at times and subject to strong currents, is in many respects preferable to either the Ouminak or Akoutan Pass, especially to vessels bound to Unalaska. It contains no hidden dangers, and is safely navigable by all classes of vessels except as mentioned before, when a strong gale is blowing against the current. At such times the sea truly boils and foams, and it is advisable to wait until slack water before attempting to go through.

Beaver Harbor affords ample protection for a vessel under such conditions. Although the water is deep, several good anchorages may be found near the shore, where vessels can lie in safety.

On the 17th of May we arrived at Unalaska and hauled the vessel on the beach to repair the oak sheathing which had started off in many places. The oak being very dry when put on and closely fitted, had bulged off upon becoming wet and swollen. After repairing it we took on board a supply of coal and water and nine months' extra provisions. The latter were purchased from the Alaska Commercial Company with the understanding that, if not used, they were to be returned without cost to the Government.

The past winter was reported to have been unusually mild, although at this time the weather was quite cold and the island covered with snow to the sea. The natives were suffering from an epidemic of pleuro-pneumonia, which proved fatal in a great many cases.

Unalaska settlement, or Illuluck, has been so often described that a repetition is unnecessary, but to those who are not familiar with the subject the following reference to it by the late Capt. George W. Bailey, U. S. R. M., will be found of interest:

Unalaska is the largest commercial port of the Aleutian Islands, and now a port of entry. * * * It is also the principal depot of the two large trading companies, the Alaska Commercial Company and the Western Fur and Trading Company. There is a full priest resident at Unalaska, and the church building presents a creditable appearance, church matters being conducted at this station on a seemingly more proper basis than in any other part

water to wait for a more favorable chance. The ice was so closely packed around the vessel that the operation of turning around, assisted by steam and sail, poles and small spars to push against the ice, and all means at our command, occupied just one hour. After several hours' more hard work we reached the head of the lead. Although sadly disappointed at the failure of this third attempt this season to reach the land, I felt relieved to be again in clear water, and did not despair of ultimate success.

While in the ice a number of polar bears were seen near the vessel and one or two walrus. They showed no signs of fear of us, but a good deal of curiosity. One of the bears was just making a breakfast of seal, which he seemed to enjoy very much. It was evidently just killed, being still bleeding, and the bear's head, neck, breast, and fore legs being covered with blood. He seemed to be taking his breakfast very leisurely, and after eating awhile would go away a few feet and roll and play like a kitten. Although we were quite near him he paid no attention, not even looking at us. During the day we were fortunate enough to get good observations for latitude and longitude, which, with the bearings already attained, gave us a very close approximation to the position of the land. These were subsequently confirmed by bearings and observations taken near the land off its east coast. They show the land on the American Hydrographic chart to be laid down 18 miles too far south, although the general trend of the coast is very nearly correct. After reaching open water we followed the edge of the eastern ice, which gradually changed the direction of its trend from southeast to east and northeast. The weather, which had been very clear in the evening, had grown misty, so that the land became less distinct and seemed further away during the afternoon. The trend of the ice was observed to be more to the northward, and it was noticed that as the mist cleared away a little from time to time the snow-banks on shore seemed nearer than at any time before. Bearings of one of these snow-banks taken from different points showed its distance to be only 13 miles. Soon after the edge of the pack fell back, so that we were enabled to steer a course almost directly for the land. We had just taken in all sail and changed our course, when the lookout reported ice on the starboard beam making off to the eastward as far as he could see, showing that we had been running into a lead. This we continued to follow until we came to its end, where we found the ice heavy and closely packed. We had 15 fathoms of water, with sticky bottom, and judged ourselves to be about 8 miles from the land. I believed that no great difficulty would be encountered in crossing on the ice to the land. Lieutenant Reynolds, Assistant Engineer Owens, Professor Muir, Mr. Nelson, and Coxswain Gessler, having volunteered, were very anxious to make the attempt, but, owing to the mist and fog, which was rapidly shutting out the land from our view, and the uncertainty of holding our position in the lead, I was compelled to withhold my consent at that time, but determined to try to hold on in the lead until the fog should clear away. We observed the set of the current to be northeast, about one knot per hour. Running back to the eastward a short distance, to where the lead was about 3 miles in width, we came to with the kedge, in 19 fathoms of water.

The constant changes taking place in the position of the lead, owing to the set of the current, necessitated changing our position several times during the night to avoid the ice. We got under way at 4 a. m. (August 12). The mist began to clear away, giving us occasional glimpses of the snow patches that lined the cliffs. We had made all necessary preparations for crossing on the ice; the skin boat had been placed on runners, and arms, ammunition, provisions, &c., served out. At 4.30 we reached the end of the lead, which we judged to be 8 miles from the land, and which we found by bearing of points on shore that we could recognize as those we had observed the night before to have changed their position to the northward 8 miles during the night. The ice appearing to be much less closely packed than on the previous evening, I determined to shorten up the journey over the ice by pushing in with the vessel as far as possible before embarking the party. Accordingly we entered the ice at 5.30 and worked in the direction of a place where the land appeared low, with high, dark-looking cliffs on each side. The ice, which was quite heavy, continued to open as we advanced, until, at 6.30, we could see the shore line distinctly, and, in the direction in which we were steering, what appeared to be a small space of open water adjoining the land. As the ice still remained sufficiently open to admit of forcing a way through it at the expense of a good deal of hard bumping, squeezing, and pushing, hopes were entertained of reaching the open space of water with the vessel. The last 2 or 3 miles were made with a good deal

of difficulty. Inside of the 10 fathom curve we found much of the ice aground, while the floating portion was drifting past and occasionally shooting up over the top of the grounded pieces. Navigation under such circumstances was anything but safe or agreeable. However, we felt that the land was certainly within our reach, and thought of nothing but pushing ahead. At 7.30 we reached the open space and dropped anchor within a cable's length of the land in 5 fathoms of water. We immediately landed and, raising the American flag, took possession in the name of the United States of America. We landed at the mouth of a river, which at this time was about 75 yards in width, although the entire distance between its banks was about 200 yards. The cliffs in the vicinity of our landing place were of a dark slate formation, and from 100 to 300 feet high. On the beach small pieces of sandstone, quartz, and mica schist were found. The surface of the land where the slate has weathered away is composed of sticky clay, and is but sparsely covered with vegetation. As observed from the ship, while cruising in the vicinity and also from the shore, it presents the general appearance of smoothly-rounded hills, which, towards the interior and near the south side, are from 1,000 to 3,000 feet in height. The upper portion of the higher hills appeared more rugged in outline, as if composed of more enduring material, probably granite. These summits resemble those seen on the Siberian coast in the vicinity of Plover Bay, being entirely destitute of vegetation, with occasional red patches probably indicating the presence of iron. Those near the coast are remarkable for the smoothness and beauty of their outlines, and present here and there patches of green or gray, according to the nature of the vegetation. On the beach near the mouth of the river we found a kayak paddle, a cask-stave, a piece of small spar, probably part of a boat's mast, and a piece of board about a foot in length bearing ax-marks. All these things were below the marks of extreme high water, and were undoubtedly brought there by the current. Although the beach showed undoubtedly signs of a rise and fall of tide, no tidal change could be detected, probably owing to the fresh southerly wind which was blowing. The presence of this drift matter on the beach would seem to indicate that the east coast of Wrangel Island was at times entirely free from ice, though it does not necessarily follow, as it could easily have been carried through the pack to the shore by the constant twisting and turning to which it is at all times subject. I believe that it is a very unusual thing for the ice to leave any portion of Wrangel Island entirely. Our stay on shore was necessarily short on account of the strong northerly current, which was sweeping the ice-pack along with irresistible force. Much of the ice inside of 10 fathoms, as stated, was aground, but not sufficiently firm to form any protection from the drifting mass, the largest pieces of which were constantly being pushed and turned in every direction when struck by the drift, and the utmost vigilance was required to avoid getting caught between the drifting and grounded masses. At 9.30 a. m., being unable to maintain our position any longer, a gun was fired to recall the parties sent out to explore the cliffs in search of cairns or other signs of human life, and we began to work out towards the lead, which we reached at 11 a. m. We left the American flag flying and also a record of our visit. We had good observations during the day, and found our landing-place to be in latitude $71^{\circ} 04'$ north and longitude $177^{\circ} 40'$ west. This is undoubtedly the part of the land seen by Captain Kellett, R. N., in 1849, when he discovered and landed on Herald Island, and which since appeared on the British Admiralty charts as Plover Island, although erroneously laid down somewhat further to the eastward. We now know that Plover Island has no separate existence, and that what Kellett saw was the main island. As there is no record of any one else having seen the land previous to that date, or in fact until several years after, when, in 1876, it was seen by nearly the entire whaling fleet, all must accord to Captain Kellett the honor of its discovery.

While steaming through the ice, in our several attempts to reach the land, a number of species of sea-fowl were seen from time to time, and carefully noted by Mr. Nelson. Among these the most numerous were the murre and guillemots (*Uria-arra* and *Uria-grylle*), with numerous kittiwake gulls (*Larus tridactylus* Kotzebue) and the common ice gull (*Larus glaucus*). More rarely single individuals of the Sabine's gull (*Xema Sabini*) came circling about the ship. Numerous small flocks of black-headed turnstones (*Streptopelia melanocephala*) were seen near shore, and two parties of common eider ducks (*Somateria nigra*). In both instances the latter were females with their young. The second brood of eiders was seen swimming close along the shore and away from the mouth of the river as we made our landing. On shore we found numerous snow-bunting (*Plectrophanes nivalis*) and a snowy owl (*Nyctea nitea*), which, with a shrike picked up dead on the

beach and a solitary golden plover (*Charadrius fulvus*), complete the short list of land birds seen. At a number of places on the hillsides we found the droppings of wild geese so numerous that it was evident this place must have been a common resort for flocks of these birds earlier in the season. Their absence at the time of our landing is easily accounted for by the fact this was the time when the geese shed their large wing feathers and lose the power of flight. As this season comes on they congregate in large flocks in low marshy land and remain until their new growth of feathers enables them to spread over the country again a month or six weeks later.

Saddle-backs and hair-seals were rather common among the ice, and in addition there was a small species of hair seal unknown upon the American coast and perhaps new to science. Walrus were not rare on the outer edge of the pack, and their foe, the polar bear, was seen almost every time we entered the ice; on several occasions it was seen swimming in the water several miles from the pack. Upon the hilltops on shore were found numerous burrows of some animal, probably white fox (*Canis lagopus*), as some tracks of that animal were found mingled with those of the polar bear in the mud along the banks of the river. Stranded on the sand-bar at the mouth of the river lay the skeleton of a whale (*Balæna mysticetus*), which closes the list of mammals observed.

Numerous small fish, from two to four inches long, and having large heads, were brought to the surface by rolling masses of ice as it was turned over by contact with the vessel in her passage through it. These are called by the whalers ice-fish. No specimens were obtained, unfortunately.

The following plants we collected: Grasses, three varieties; dwarf willow, phlox, saxifrage, sibaldea, draba, potentilla, anemone, papaver, veronica, artemisia, carex, stellaria, three; mosses, three; lichens, five; and four compositæ. In many places where the snow remained in the ravines and in banks against the steep cliffs, it presents the peculiar reddish color caused by the presence of *Protococcus nivalis*, commonly called red snow. This is a minute plant with which the surface of the snow is often covered in high latitudes. It was seen and its appearance described by Sir John Ross in 1818, and by Sir Edward Parry in 1827, but its true character was not understood until many years later, when it became known as a vegetable growth.

Upon taking possession of this land in the name of the United States, the name New Columbia was provisionally given to it. The provision being the approval and concurrence of that portion of the Government having the authority to issue charts, &c., the decision of that body was adverse to my suggestion, and by its action I cheerfully abide not only on account of its undoubted right to decide according to its own judgment in this and all other matters over which it has jurisdiction, but because the size of the island, as now known, does not justify the bestowal of a name of this character, the name of one of the early Arctic navigators being much more appropriate. At the time I suggested the change of name I believed the land to be an island and had so reported it to the Department, but I supposed it to be considerably larger than it has proved. In the report of my first cruise in the Corwin, submitted November 1, 1881, page 50, I say, in reference to this land:

The part of Wrangel Land which we saw covered an arc of the horizon of about fifty degrees from northwest quarter north to west quarter south (true), and was distant from 25 miles on the former bearing to 35 or 40 on the latter. On the south were three mountains, probably 3,000 feet high, entirely covered with snow, the central one presenting a conical appearance and the others showing slightly rounded tops. Northward of these mountains was a chain of rounded hills, those near the sea being lower and nearly free from snow, while the back hills, which probably reach an elevation of 2,000 feet, were quite white; to the north of the northern bearing given the land ends entirely or becomes very low. The atmosphere was very clear, and we could easily have seen any land above the horizon within a distance of 60 or 70 miles, but none except that described could be seen from the mast-head.

Again, on page 52, I say:

I am of the opinion that Wrangel Land is a large island, probably one of a chain that passes entirely through the polar regions to Greenland; that there is other land to the north there can be no doubt . . . large numbers of geese and other aquatic birds pass Point Barrow going north in the spring, and returning in August and September with their young. As it is well known that these birds breed only on land, this fact must be regarded as proof of the existence of land in the north. Another reason for supposing that there is either a continent or a chain of islands passing through the polar regions is the fact that, notwithstanding the vast amount of heat diffused by the warm current passing through Bering Straits, the icy barrier is from six to eight degrees farther south on this side than on the Greenland side of the Arctic Ocean, where the temperature is much lower.

OIL-AND-GAS RESOURCES OF ALASKA

U.S. GEOLOGICAL SURVEY RESOURCE ASSESSMENT AREAS

Area
1 Arctic National Wildlife Refuge
2 National Petroleum Reserve-Alaska
3 Beaufort Sea
4 Chukchi Sea
5 Hope
6 Navarin
7 Norton
8 St. George-Umnak Plateau
9 North Aleutian
10 Bering Sea (other)
11 Shumagin
12 Kodiak Shelf
13 Gulf of Alaska
14 Cook Inlet-Shelikof Straits
15 Cooper River Interior
16 Yukon-Kanai
17 North Slope (other)

STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL AND GAS Oil and gas lease sale schedule

Area	Date
1 Kenai Peninsula (general location)	Aug 1981
2 Upper Cook Inlet (general location)	May 1981
3 Prudhoe Bay Uplands	Sept 1982
4 Cook Inlet (general location)	Dec 1981
5 Flaxman Island area	May 1982
6 Middle Tanana basin and Copper River basin	Aug 1982
7 Achatok River Esamiit	Aug 1982
8 Beaufort Sea	May 1983
9 Upper Cook Inlet	Sept 1983
10 Bristol Bay Uplands	Sept 1984
11 Beaufort Sea	May 1984
12 Colville Delta Prudhoe Bay Uplands Esamiit	May 1984
13 Hope Basin	May 1989
14 North Slope (location not available)	Sept 1985
15 Holitna Basin	Jan 1985
16 Cook Inlet (location not available)	Feb 1985
17 Kuparuk Uplands	May 1985
18 Kuparuk Uplands	Jan 1986
19 Cook Inlet (general location)	May 1986
20 Carnian Bay	May 1987
21 Prudhoe Bay Uplands	Jan 1987
22 Beaufort Sea	Sept 1986
23 Icy Cape	Sept 1987
24 Kuparuk Uplands	Jan 1988
25 Demarcation Point	May 1988
26 Alaska Peninsula	Sept 1988
27 North Slope Foothills	Jan 1989
28 Offshore Icy Cape	Sept 1989

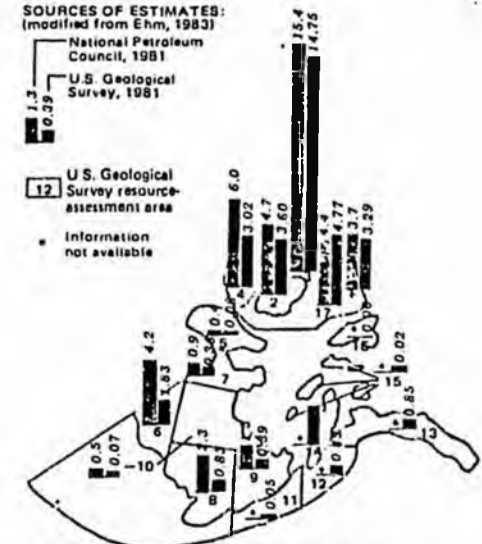
U.S. DEPARTMENT OF INTERIOR Oil and gas lease sale schedule issued January 1984

BUREAU OF LAND MANAGEMENT

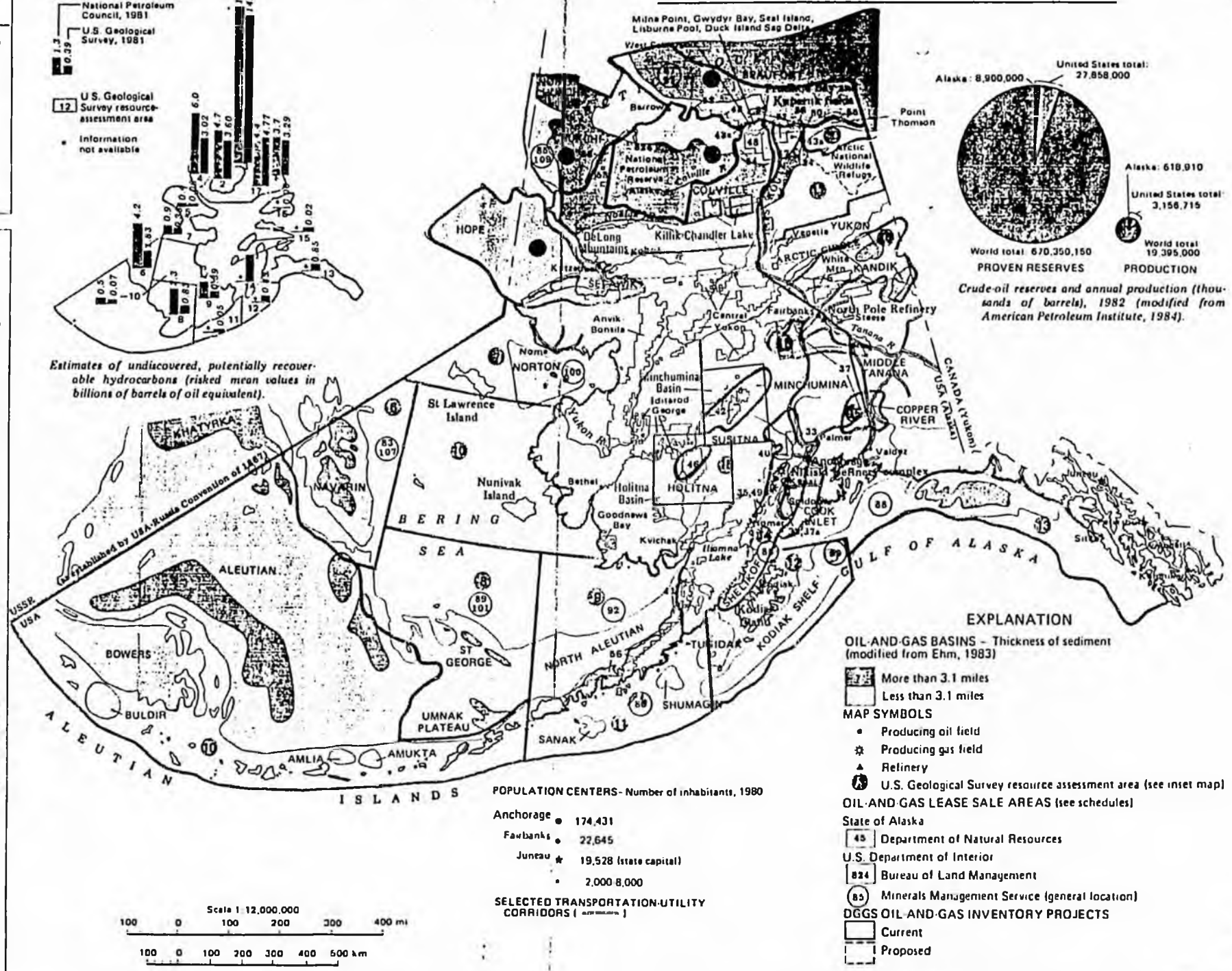
- Iditarod George	Sept 1984
- Goodnews Bay	Sept 1984
- Kvichak	Sept 1984
24 National Petroleum Reserve Alaska (2 million acres)	July 1984
- Anvik Borsite	Sept 1985
- Steese White Mountain	Sept 1985
- Central Yukon	Sept 1985
- Venetie	Sept 1985

MINERALS MANAGEMENT SERVICE (general location)

13 Navarin Basin	Mar 1984
15 Barrow Arch	Feb 1985
16 Shumagin	June 1987
17 Osprey Field	June 1984
8 Cook Inlet Gulf of Alaska	Oct 1984
9 St. George Basin	Dec 1984
2 North Aleutian Basin	Apr 1985
7 Deep Field	June 1986
9 Kotikuk	Oct 1986
10 Norton Basin	Oct 1985
11 St. George Basin	Dec 1986
17 Navarin Basin	Mar 1986
8 Barrow Arch	Feb 1987



Estimates of undiscovered, potentially recoverable hydrocarbons (risked mean values in billions of barrels of oil equivalent).



Crude-oil reserves and annual production (thousands of barrels), 1982 (modified from American Petroleum Institute, 1984).

Compilation of map data by Division of Geological and Geophysical Surveys

Figure 2. Status of DGGS inventory of oil-and-gas resources of Alaska, 1984.

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