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Secretary Salazar Announces Comprehensive Strategy for Offshore Oil and Gas Development and Exploration

*New Development in Gulf of Mexico; Exploration in Arctic and Atlantic;
Protection for Alaska's Bristol Bay*

ANDREWS AIR FORCE BASE, MD – Secretary of the Interior Ken Salazar today announced that, as part of a comprehensive strategy for strengthening the nation's energy security and reducing America's dependence on foreign oil, the Obama Administration will expand oil and gas development and exploration on the U.S. Outer Continental Shelf, while protecting fisheries, tourism, and places off U.S. coasts that are not appropriate for development.

“By responsibly expanding conventional energy development and exploration here at home we can strengthen our energy security, create jobs, and help rebuild our economy,” said Salazar, who joined President Obama at Andrews Air Force Base to make the announcement. “Our strategy calls for developing new areas offshore, exploring frontier areas, and protecting places that are too special to drill. By providing order and certainty to offshore exploration and development and ensuring we are drilling in the right ways and the right places, we are opening a new chapter for balanced and responsible oil and gas development here at home.”

The Administration's strategy calls for: developing oil and gas resources in new areas, such as the Eastern Gulf of Mexico, more than 125 miles from Florida's coast; increasing oil and gas exploration in frontier areas, such as the Arctic Ocean and the Mid and South Atlantic Ocean; and protecting ocean areas that are simply too special to drill, such as Alaska's Bristol Bay.

The strategy will guide the current 2007-2012 offshore oil and gas leasing program, which was written by the previous administration but found by the courts last year to be legally flawed, as well as the new 2012-2017 program that this administration will propose.

DEVELOPMENT

The Obama Administration's strategy calls for expanded development and production throughout the Gulf of Mexico, including resource-rich areas of the Eastern Gulf of Mexico that are currently under Congressional moratorium and closed to development.

"The plan we are proposing calls for 4 more lease sales in the Gulf of Mexico by 2012 and, in the years beyond, would open up two-thirds of the oil and gas resources in the Eastern Gulf while protecting Florida's coast and critical military training areas," said Salazar. "Our efforts to strategically open new areas in the Eastern Gulf would represent the largest expansion of our nation's available offshore oil and gas supplies in three decades."

The Department of the Interior's Minerals Management Service estimates that the Gulf of Mexico contains 36-41.5 billion barrels of undiscovered, economically recoverable oil and 161-207 trillion cubic feet of undiscovered, economically recoverable natural gas resources.

Additionally, by 2012, Interior plans to hold two lease sales – one 50 miles off the coast of Virginia and one in the Cook Inlet in Alaska – provided there is interest from industry, that development can be done in an environmentally responsible manner, and that development does not compromise critical military training in the Atlantic.

EXPLORATION

Interior will also expand oil and gas exploration in frontier areas, such as the Arctic Ocean and areas in the Atlantic Ocean, to gather the information necessary to develop resources in the right places and the right ways.

"If we are to responsibly develop resources in frontier areas we must expand exploration activities, gather the science needed, and listen to affected communities," said Salazar.

Because the potential oil and gas resources and the benefits and risks of developing OCS frontier areas are not sufficiently known, the Administration plan calls for seismic exploration in the Mid and South Atlantic OCS to support conventional and renewable energy planning.

The Administration strategy supports exploratory drilling in the Chukchi and Beaufort Seas in the Arctic Ocean, which could begin as early as this summer, to develop critical information. Secretary Salazar has also asked the United States Geological Survey (USGS) to assess what information is known and what is not known about resources, risks, and environmental sensitivities in Arctic areas.

In addition, Interior will gather scientific information, conduct environmental scoping, and hold public meetings to determine which other OCS areas may be appropriate for leasing under the 2012-2017 program. The proposed scoping will consider the Gulf of

Mexico, much of the Atlantic OCS and include the Chukchi and Beaufort Seas off Alaska. No further lease sales in the Chukchi and Beaufort Seas will be held under the 2007-2012 program.

“The scoping process for the 2012-2017 program will provide opportunities to hear from local communities who depend on tourism, tribes whose livelihoods depend on the sea, and scientists who can tell us where the risks of development are simply too great and which areas are just too sensitive to drill,” Salazar said.

According to MMS estimates, 39-63 billion barrels of economically recoverable oil and 168-294 trillion cubic feet of natural gas are economically recoverable from the eight planning areas under consideration for leasing under the 2012-2017 program. That represents as much as 80% of the undiscovered economically recoverable oil and gas on the U.S. outer continental shelf.

CONSERVATION

In addition to expanding oil and gas development and exploration on the OCS, the Administration’s plan calls for the protection of special areas like Bristol Bay, in Alaska.

“In our quest to secure our energy future, we must not lose the places and values that set our nation apart,” said Salazar. “Bristol Bay is a national treasure that we must protect for future generations.”

President Obama is withdrawing Bristol Bay from consideration for oil and gas development through 2017. In addition, the Administration’s strategy does not propose potential exploration or development in areas near California, Oregon, and Washington or in the North Atlantic.

The offshore oil and gas strategy announced today is part of the President’s comprehensive national energy plan to make responsible use of all of America’s energy resources and technologies. That includes energy efficacy initiatives; renewable resources, such as wind, solar, hydropower and geothermal; appropriate conventional sources of oil, gas and coal; as well as expanded nuclear power. The goal is to build a clean energy economy, create jobs here at home and lead the world in the energy technologies that will define the next century, all of which will help to reduce the nation’s overdependence on foreign oil.

MAPS

Regional maps can be found at [Eastern Gulf](#), [Lower 48](#), and [Alaska](#).

For more information about the offshore oil and gas strategy announced today, visit www.doi.gov.

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