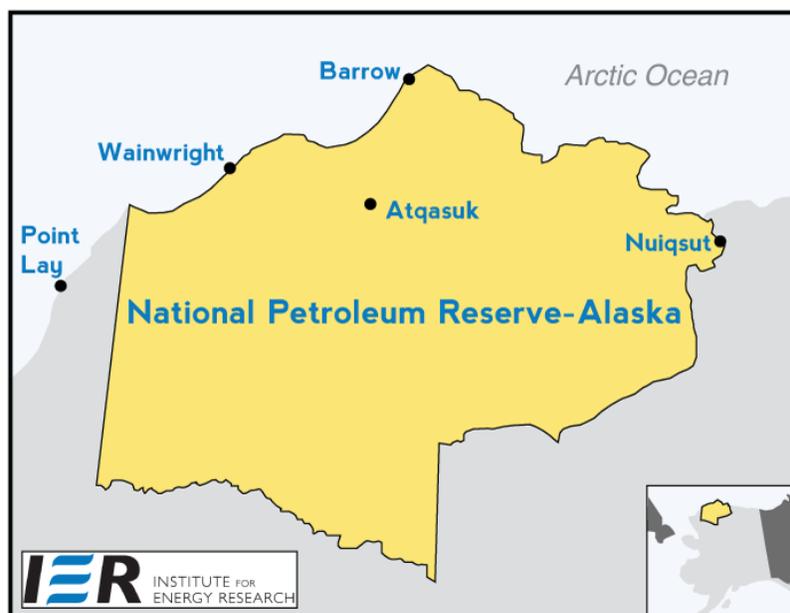


## National Petroleum Reserve-Alaska (NPR-A) Fact Sheet

The National Petroleum Reserve-Alaska (NPR-A) contains a mean estimate of 895 million barrels of oil and a mean estimate of 52.8 trillion cubic feet (TCF) of natural gas.<sup>1</sup> It was created in 1923 by President Harding to make sure that the U.S. Navy had a stable supply of oil in the future.<sup>2</sup> In 1980 Congress directed the Department of Interior to conduct oil and natural gas leasing on the land to increase domestic oil and natural gas production. Despite Congress' direction to the Interior Department thirty years ago, no commercial drilling for oil and natural gas has occurred in the Petroleum Reserve.



### Background:

- NPR-A is 22.8 million acres of lands set aside for petroleum production.<sup>3</sup>
- It is the largest block of federally managed land in the United States.<sup>4</sup>
- The NPR-A is part of a larger region called the North Slope, which also includes the Arctic National Wildlife Refuge (ANWR).<sup>5</sup>
- Under the Naval Petroleum Reserves Act of 1976 (42 U.S.C. 6501), congress shifted administrative powers from the Navy to the Secretary of the Interior<sup>6</sup> and designated the area to be used to meet the energy needs of the nation.<sup>7</sup>
- In 1980, Congress mandated that the Bureau of Land Management (BLM), part of the Department of Interior, open up the NPR-A for future oil and gas development.<sup>8</sup>

## Recent Activity:

- The NPR-A was scarcely explored or developed until the mid 1990s after the discovery of the adjacent Alpine oil field.<sup>9</sup>
- Seven lease tract sales have been held by the BLM in both the Northwest (NW) and Northeast (NE) Planning Areas of the NPR-A.<sup>10</sup>
- There are currently 177 authorized oil and gas leases in the NPR-A, covering nearly 1.4 million acres in the NW and NE Planning Areas.<sup>11</sup>
- In an upcoming lease sale, the BLM will offer 400 tracts covering approximately 4.5 million acres.<sup>12</sup>

## Resource Estimates:

- This region could contain as much as 1,707 million recoverable barrels of oil and 77.5 TCF of recoverable natural gas, but the mean estimates are 895 million barrels of oil and 52.8 TCF of natural gas.<sup>13</sup>

## Value of Natural Resources in NPR-A:

- An estimated 273 million barrels of undiscovered oil are economically recoverable at a price of \$72 per barrel while another 500 million barrels of undiscovered oil are estimated to be recoverable at \$90 per barrel.<sup>14</sup>
- An estimated 18 trillion cubic feet of undiscovered gas are economically recoverable at \$8 per thousand cubic feet while another estimated 32 trillion cubic feet of undiscovered gas are economically recoverable at \$10 per thousand cubic feet.<sup>15</sup>

## Current Issues:

- Secretary of the Interior Ken Salazar recently announced the opening up of half the NPR-A, approximately 11.8 million acres.<sup>16</sup>
- The reality is, this area has been opened up since the 1980 and Secretary Salazar is actually blocking off half of the NPR-A to exploration and production.
- Secretary Salazar's plan would exclude nearly 350 million barrels of estimated oil and close to 45 trillion cubic feet of natural gas of the mean estimates.<sup>17</sup>
- In a recent letter to Secretary Salazar, Alaskan Senators Mark Begich (D), Lisa Murkowski (R), and Representative Don Young (R) explain the problem with Secretary Salazar's decision regarding the NPR-A<sup>18</sup>:
  - The NPR-A was created to protect our nation's energy and economic security, not to become a wilderness area.
  - The area offers untouched and promising sources of domestic energy, which will create tens of thousands of jobs as well as new revenues.
  - Building a pipeline through the NPR-A is the best approach to deliver offshore oil and gas to the market.

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- <sup>1</sup> <http://pubs.usgs.gov/of/2011/1103/>
  - <sup>2</sup> [http://www.blm.gov/ak/st/en/prog/energy/oil\\_gas/npra.html](http://www.blm.gov/ak/st/en/prog/energy/oil_gas/npra.html)
  - <sup>3</sup> *Ibid 2*
  - <sup>4</sup> <http://www.arcticgas.gov/sites/default/files/11-05-usgs-npra-assessment.pdf>
  - <sup>5</sup> <http://www.api.org/oil-and-natural-gas-overview/exploration-and-production/alaska/northern-alaska-petroleum-development.aspx>
  - <sup>6</sup> <http://uscode.house.gov/download/pls/42C78.txt>
  - <sup>7</sup> <http://online.wsj.com/article/SB10000872396390443768804578040873921142716.html>
  - <sup>8</sup> [http://www.blm.gov/ak/st/en/prog/planning/npra\\_general.html](http://www.blm.gov/ak/st/en/prog/planning/npra_general.html)
  - <sup>9</sup> <http://pubs.usgs.gov/fs/2010/3102/pdf/FS10-3102.pdf>
  - <sup>10</sup> [http://www.blm.gov/ak/st/en/prog/energy/oil\\_gas/npra.html](http://www.blm.gov/ak/st/en/prog/energy/oil_gas/npra.html)
  - <sup>11</sup> [http://www.blm.gov/ak/st/en/info/newsroom/2012/october/NPR-A\\_Detailed\\_Statement\\_of\\_Sale\\_Available\\_10052012.html](http://www.blm.gov/ak/st/en/info/newsroom/2012/october/NPR-A_Detailed_Statement_of_Sale_Available_10052012.html)
  - <sup>12</sup> *Ibid 11*
  - <sup>13</sup> *Ibid 1*
  - <sup>14</sup> <http://www.usgs.gov/newsroom/article.asp?ID=2784#.UH1d7mk-u1A>
  - <sup>15</sup> *Ibid 14*
  - <sup>16</sup> [http://www.blm.gov/wo/st/en/info/newsroom/2012/august/NR\\_08\\_13\\_2012.html](http://www.blm.gov/wo/st/en/info/newsroom/2012/august/NR_08_13_2012.html)
  - <sup>17</sup> *Ibid 16*. Figures calculated from Bureau of Labor Management Data.
  - <sup>18</sup> <http://begich.senate.gov/public/cache/files/4932e0bd-af75-42b4-826f-5829a8f5b4fc/NPRA%20letter%20to%20Sec%20Salazar.pdf>