

ALASKA STATE LEGISLATURE

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SENATOR LESIL MCGUIRE

September 30, 2010

BLM Alaska State Office
Attention – NPR-A Planning Team
222 West 7th Avenue, #13
Anchorage, AK 99513-7599

To whom it may concern,

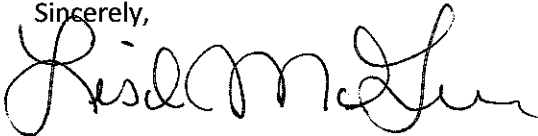
Around seventy-five percent of the North Slope of Alaska is under federal jurisdiction and yet to date, one hundred percent of oil production has come from State lands. The fact that there has been no oil production from the National Petroleum Reserve Alaska (NPRA) is certainly due to a multitude of factors; including litigation, adverse agency decisions and the lack of infrastructure. Since the BLM has little influence over litigation or other agencies I will focus my comments on the infrastructure issue. I am encouraged that the BLM is considering an integrated plan for the NPRA and hope that this offers an opportunity for a holistic approach to development which will protect Alaska's resources and create a more predictable environment for development. I am concerned however that the planning process will not adequately consider the infrastructure issues that challenge development in the NPRA.

Under the current BLM timeline, which is admittedly aggressive, the draft plan will not be issued until October 2012. With the throughput of the Trans-Alaska Pipeline (TAPS) declining rapidly, I am concerned that the BLM is not considering the impact a closure of the pipeline could have in stranding the very resources the bureau is tasked with making available for development. The lack of infrastructure is one of the most commonly cited reasons oil production in the NPRA has not occurred. Delays in the production of oil from NPRA are making the infrastructure challenge worse and I encourage you to fully evaluate the importance of TAPS in your analysis of potential production from NPRA. Simply put: the Trans-Alaska Pipeline needs the development of oil in the NPRA to continue operating and development of oil in the NPRA is contingent on a functioning TAPS. This chicken-or-the-egg dilemma argues for the expedited development of identified prospects in the near term. Please consider analyzing the importance of the development of satellite fields within the NPRA to the long-term viability of production in the NPRA.

Further, I encourage you to focus on developing infrastructure corridors where a predictable process can be followed to permit a pipeline or road within the NPRA. I was disturbed to hear recently that the BLM plans to simply identify areas that are off-limits to pipelines or roads and remain silent, pending application by industry or the state, on other areas. In my estimation, this strategy amounts to the explicit withdrawal of specific lands and the inferred withdrawal of all lands to development within the NPRA. Without access there cannot be development and I would hope the planning team will consider the message such a strategy sends to the state and industry. If you are unwilling to analyze and provide for preferred transportation corridors in the integrated plan please at the very least consider a recognition that roads and pipeline corridors are, and will be necessary for oil development.

With an estimated 9 billion barrels of recoverable oil the NPRA is an important part of Alaska's economic future and key to our nation's energy security. Thank you for your work on an integrated plan for the NPRA and I appreciate your consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Lesil McGuire". The signature is fluid and cursive, with the first name "Lesil" being more prominent than the last name "McGuire".

Senator Lesil McGuire