

DEPARTMENT of the INTERIOR

news release

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INTERIOR STUDY CITES PETROLEUM RESOURCE POTENTIAL OF ALASKA WILDLIFE RANGE

The possibility that petroleum resources underlie the William O. Douglas Arctic Wildlife Range in Alaska varies from a 95 percent chance there are 0.16 billion barrels to a 5 percent chance of 17 billion barrels of oil in place, according to a preliminary appraisal made under the auspices of the U.S. Geological Survey and released today by Interior Secretary Cecil D. Andrus.

If oil actually was found, the amount recovered could represent less than one-third of the amount in place--perhaps substantially less--the report noted.

The appraisal showed a 50 percent chance of at least 2.7 billion barrels of oil in place in the Wildlife Range. By comparison, a similar appraisal of the National Petroleum Reserve in Alaska, to the west of the Wildlife Range, indicated a 50 percent chance of 5.2 billion barrels of oil in place.

Considering the potential of NPRA and other northern Alaska areas, and the high environmental values of the Wildlife Range, oil industry explorers would do better to "go west, not east," the Secretary said.

In forwarding the results of the petroleum resource appraisal to the Senate Energy and Natural Resources Committee, which had requested the appraisal early in May, Secretary Andrus cautioned against drawing premature conclusions from these estimates. "The estimates indicate that it is extremely unlikely that the Wildlife Range contains a 'supergiant' oil accumulation like Prudhoe Bay," the Secretary said, "but with the data available, it is difficult to describe the extent of the petroleum resource with any confidence."

Andrus explained that the wide range of probabilities and great uncertainty stem primarily from the absence of subsurface geologic and seismic data for the Range.

Secretary Andrus also emphasized that the estimates were only for resources in place. Generally, about one-third of the oil in place is actually recovered. However, scientists speculate that only about 20 to 25 percent of any oil discovered in the Range might actually be recovered because it may be heavier than conventional crude oil. Furthermore, no estimates were made of the probability of discovering any oil and gas, the Secretary said.

"Against the possibility of oil and gas must be weighed the unique surface resources of the Wildlife Range, including the migrating caribou that sustain the life and culture of many of Alaska's and Canada's Eskimo people," Secretary Andrus stated. "It is the calving ground for a herd of 130,000 caribou, and is home also to polar bears, wolves, musk oxen, and great flocks of migratory birds.

"We believe industry efforts should be concentrated in the National Petroleum Reserve in Alaska, in the areas around the already proven Prudhoe Bay, and the submerged offshore lands beneath the Beaufort Sea before turning eastward to the Wildlife Range in search of recoverable oil. In my view, the Wildlife Range should be the last place we look for oil and gas.

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"The Carter Administration has been urging Congressional approval of an oil leasing program for the northwest Alaska region that includes NPRA. Much more is known about it than about the Wildlife Range to the east.

"The message seems clear: "Go west, young man, not east," Andrus concluded.

The 8.9-million-acre Wildlife Range, recently renamed for the late Supreme Court Justice, lies in the remote northeast corner of Alaska. Established as a wildlife range in 1960 to protect unique wilderness and wildlife values, the Range at present is closed to mineral activities.

The area of the Range that may have petroleum lies between the Brooks Range and the Beaufort Sea and covers roughly 3,000 square miles, or about one-third of the total Wildlife Range. The area is about one-tenth the size of the NPRA.

Although the information on the geology of the Wildlife Range is scant, a team of geologists and resource appraisal experts assembled under auspices of the Survey were able to reach some preliminary findings. Based on subsurface data available on the geology of the areas surrounding the Wildlife Range and on surface data gathered within the Range, they speculate that the Range lies in what may be a major geological transition zone. The underlying rock sequence could be the same as that which occurs in the Prudhoe Bay area, or it could be similar to that which is beneath the Mackenzie Delta-Beaufort Sea area. In either case, it is not known whether the conditions that provide the petroleum potential of those regions are present in the Range.

This uncertainty is reflected in the assessment of petroleum resources. Using a methodology developed for a study of the NPRA, the team of geologists identified 10 possible petroleum "plays" (formations or stratigraphic conditions which may contain one or more prospective accumulations of hydrocarbons) within the Range and the number of prospects within each that might contain oil and gas. The probabilities that various amounts of oil and gas might occur were then calculated and refined by USGS resource appraisal experts.

Copies of the report, entitled "Preliminary Petroleum Resource Appraisal of the William O. Douglas Arctic Wildlife Range," are available and may be obtained by writing to: Office of the Assistant Secretary for Energy and Minerals, U.S. Department of the Interior, Washington, D.C. 20240, or by calling that office at 202-343-4367.