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Shell's Chukchi Sea drilling plan gets clean-air OK from EPA

By DAN JOLING
The Associated Press
Published: April 2nd, 2010 02:43 PM
Last Modified: April 2nd, 2010 02:43 PM

Shell Oil has cleared another hurdle in its plans to drill three exploratory petroleum wells in the Arctic Ocean.



enlarge
Shell Exploration & Production via The Associated Press
Shell wants to drill three exploratory wells on the Arctic Ocean acreage it leased in 2008.

The Environmental Protection Agency announced Thursday it had approved a clean-air permit for Shell to operate its drilling ship in the Chukchi Sea off Alaska's northwest coast.

Shell wants to drill three exploratory wells on the Arctic Ocean acreage it leased in 2008. The company also awaits an air-quality permit for proposed drilling in the Beaufort Sea; a decision will be made this month, Hastings said.

Shell spokesman Curtis Smith said Thursday delivery of the final Chukchi Sea air permit on the heels of Wednesday's news that the company would continue to have access to offshore acreage obtained in 2008 was excellent news. However, he noted the permit must be listed for 30 days before it becomes usable, and it could be appealed to the Environmental Appeals Board.

The U.S. Minerals Management Service estimates the Chukchi holds recoverable reserves of up to 12 billion barrels of oil and 54 trillion cubic feet of natural gas, a promising prospect for oil and gas companies in Alaska, where production has been declining for over two decades.

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OPPOSITION TO DRILLING

The EPA announcement Thursday came one day after President Obama and Interior Secretary Ken Salazar announced a revised outer continental shelf leasing program.

The revision was in part a response to a lawsuit by three environmental groups and an Inupiat community. A federal appeals court in Washington, D.C., a year ago agreed that the Interior Department did not properly study the environmental impact of expanding oil and gas drilling off Alaska's coast before issuing its five-year leasing program.

Salazar on Wednesday announced the agency had considered nearly 50 studies for its

revised leasing program. For the Chukchi and Beaufort seas, Salazar said, new lease sales would be suspended for at least two years so that additional scientific studies could be conducted and because the estimated benefit is outweighed by potential environmental damage.



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However, he sanctioned the 2008 Chukchi lease sale, in which Shell paid \$2.1 billion for leases. Information from leaseholders' scientific studies, including whether an oil spill can be cleaned up in broken ice, will help him determine whether additional lease sales are needed between 2012 and 2017, Salazar said.

PRAISE AND CRITICISM

Sen. Mark Begich, D-Alaska, called the EPA's approval great news for the state.

"I'm hopeful we're poised for a renaissance in Alaska's oil patch, with this permit for Chukchi development and the Obama administration's support for OCS development," Begich said.

Rep. Don Young, R-Alaska, also hailed the decision: "It's about time that unelected bureaucrats stop holding Shell's shareholders hostage."

Brendan Cummings, an attorney for the Center for Biological Diversity, called the air permit "highly problematic and likely illegal."

"While Shell's drilling operations would contribute significant amounts of conventional pollutants to the atmosphere, perhaps our biggest concern is that large amounts of black carbon, which directly contributes to Arctic warming, will be released, yet EPA failed to perform any real analysis of such impacts," he said.

The Clean Air Act requires EPA to impose conditions related to greenhouse gas emissions, he said, and Shell's drilling will likely contribute upward of 90,000 tons of carbon dioxide to the atmosphere.

"There was no analysis, much less attempt at regulation of this pollutant," he said.

ALLOWED EMISSIONS

The permit requires the Frontier Discoverer drillship to burn ultra low-sulfur diesel fuel. That and other conditions, including restrictions on operating hours, will reduce particulate emissions by 72 percent and sulfur dioxide emissions by 99 percent, from 181 tons per year to 2 tons, said Janis Hastings, deputy director of EPA's air quality program.

Short-term exposure to sulfur dioxide is linked to adverse respiratory effects and increased asthma symptoms.

The fuel requirement also covers Shell's support vessels when they operate within 25 miles of the drillship.

Shell faces other hurdles before its drilling ship heads north.

The MMS has a court appearance next month in a lawsuit challenging its approval of Shell's Chukchi exploration plan. The 2008 lease sale also is being challenged in Alaska District Court.

The Anchorage Daily [News/adn.com](#) contributed to this article.

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Again, my point is simply this...continued exploration with the possibility of bringing the resources into production do not mean havoc and devastation will rain from the sky in any form. Until we have a better mouse trap ready to put to use to take the place of crude oil and natural gas...there is absolutely no reason to not explore the Chukchi Sea potential. It can and will be done in the most responsible manner possible just as it has been up here for so many years.

[Recommend \(0\)](#)**neighbor72** wrote on 04/03/2010 09:27:54 PM:

Well I would certainly agree with you on paragraph one...we certainly have different meanings of pristine as for me, the flooded tundra of the barren North Slope is probably the farthest thing from my mind when I think of the word pristine. Having said that, I would also agree that we need to move away from fossil fuel and that is something that is in the works but as we all know it's not as simple as flipping a switch and we have to make sure we have the resources needed to get to that point. Fuel in itself is just one component. Our society has become so dependant on the byproducts of crude oil that even if we eliminated every combustion engine tomorrow we would still need millions of barrels of crude oil per day to support our way of life. From the asphalt we travel on to plastics and rubber that are used in abundance in nearly every household right down to chewing gum just to name a few. Would it be a better world if we all went back to the days of the Waltons...well...that's certainly in the eyes of the beholder. Are we all guilty of partaking in this so called eventual devastation of our world...yep. I'm doubtful you live in a clay house without the benefits of heating oil or natural gas and doubtful as well that you peddle a bike or walk to the airport on your way up north or anywhere else you travel to...I know I don't. Even if you did, the soles on your shoes or the rubber tires on that bike would still be a contributor.

[Recommend \(0\)](#)**fallout5** wrote on 04/03/2010 07:56:52 PM:

We have a very different definition of 'pristine'. Manifold buildings, roads, camps and pipelines all qualify as pollution in my mind regardless of whether they are actively leaking oil or not.

Obviously we can't 'what if' it to death. And I agree operating on the slope is as safe and environmentally friendly as it could possibly be, especially when held up to other parts of the world.

My main concern is that we stop wasting our remaining natural resources and start using them wisely. Of course, that will never happen in Idiot America. Until it reaches crisis levels, at which point it will be too late anyway. It would be fantastic if we were focused on using our remaining fossil fuel endowment on building a living arrangement that has a future. Instead, we squander it on 100 mile per day daily commutes on the interstate highway system and burn it up in power plants to power reality TV from coast to coast.

In this regard, I believe history will punish us for our flecklessness and stupidity.

[Recommend \(0\)](#)**neighbor72** wrote on 04/03/2010 06:35:45 PM:

I agree with most of what you said there with the exception of the environment being far from the pristine wilderness that it once was. With the exception of the extremely small footprint (in the grand scheme of things) currently occupied by the roads, pads and pipeline...the north slope is quite pristine. I too work on the slope and the environmental awareness culture on Alaska's North Slope is second to none with absolutely no comparison elsewhere. You will find more "product" in one Walmart parking lot on any given day than you will on the entire North Slope. Every single spill right down to a few drips and drops are cleaned up and disposed of appropriately or someone risks losing a 6-figure job. Working up there we both know exactly what I'm talking about. Is there eminent risk for catastrophe? Sure, there always will be. But don't we also have the same risk every time a commercial airliner full of passengers lifts off the runway or a semi truck hauling a load of hazmat heads down the highway or a school bus full of kids travels down the road? Yeah..we do. So what should we do...just stop everything we do in life as we know it because of the what

if's and could happens?

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fallout5 wrote on 04/03/2010 06:04:48 PM:

neighbor72 wrote: That was a tanker running aground...nothing to do with the actual processes of exploration or production.

A fair point. I work on the slope. The environment is far from the 'pristine wilderness' that it was before E&P showed up and more importantly, there is always a eminent risk for a catastrophe.

Again, I don't particularly care about the environment. In 10 million years (a relatively short time, geologicly speaking) after a couple dozen ELE asteroid strikes and global earthquakes, tsunamis and volcanic eruptions, you'll be hard pressed to know that some ancient civilization ever drilled for oil anywhere on this rock. That being said, we should still be as careful as possible. It won't change the fact that we are slowly making the planet inhabitable to sustain humans, but it might drag it out a bit and give the appearance that we care.

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neighbor72 wrote on 04/03/2010 05:18:28 PM:

fallout...That was a tanker running aground...nothing to do with the actual processes of exploration or production. That would be like saying that pencils are the cause of failing grades. Again, there has yet to be any "spoiling" directly caused by exploration and production even though they have been doing it here in Alaska for over 3 decades.

I agree with you on the issues in Saudi and Russia but their environmental regulations/restrictions/oversight and just overall concern for the environment are drops in an olympic size pool when compared to ours.

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fallout5 wrote on 04/03/2010 04:30:53 PM:

neighbor72 wrote: Neither drilling or production have yet to be the cause of any "spoiling" here in Alaska.

What do you think happened in 1989 in PWS when the Exxon-Valdez ran aground? Now, I don't believe that it caused permanent damage (although many people say the fishing has never recovered), but it was 'spoiling' none the less.

Many other oil producing providences (i.e. Saudi, Iraq, Russia) have massive adverse ecological disasters by way or oil spills every year. I think it is great that the largest consumer of oil is going to start drilling off our own shores, ruining the views and running the risk of massive spills. It serves us right.

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neighbor72 wrote on 04/03/2010 02:24:21 PM:

fallout - That's my question...what "spoiling" are we speaking of here? Neither drilling or production have yet to be the cause of any "spoiling" here in Alaska.

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fallout5 wrote on 04/03/2010 06:48:37 AM:


Neighbor72 - Exploration drilling is one thing. Drilling and producing is where the real risk comes in. Thats when millions of bbls of oil is flowing through pipelines 24/7. For my part, I don't care about the environment or the whales or any of it. I think it would be great if we all used less oil, but that is never going to happen in our society until we are at a crisis stage and forced to use less. So again, it is nice to see the most gluttonous people on the planet finally spoiling their own backyard with oil wells for a change.


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