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Arctic National Wildlife Refuge: Status of Oil and Gas Program

The Arctic National Wildlife Refuge (ANWR or the Refuge) comprises 19 million acres in northeast Alaska, administered primarily by the Fish and Wildlife Service (FWS) in the Department of the Interior. ANWR's Coastal Plain—a 1.57-million-acre area in the northern part of the Refuge (**Figure 1**)—is viewed as an onshore oil prospect, with a mean estimate by the U.S. Geological Survey of 7.7 billion barrels of technically recoverable oil on federal lands (or 10.4 billion barrels if Alaska Native lands and adjacent waters are included). The Refuge also is a center of activity for caribou and other wildlife, with subsistence use by Alaska Natives and critical habitat for polar bears under the Endangered Species Act (ESA; 16 U.S.C. §§1531-1544).

P.L. 115-97 established a program for oil and gas leasing in ANWR's Coastal Plain. The law's 2017 enactment marked a turning point in decades of congressional debate over energy development in the Refuge. Prior to enactment of the law, Section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (ANILCA; P.L. 96-487) had prohibited oil and gas development in ANWR unless such activities were explicitly authorized by an act of Congress. Section 20001 of P.L. 115-97 directed the Secretary of the Interior, acting through the Bureau of Land Management (BLM), to establish and administer a competitive oil and gas leasing program for ANWR's Coastal Plain and added this program as a stated purpose of the Refuge. The law

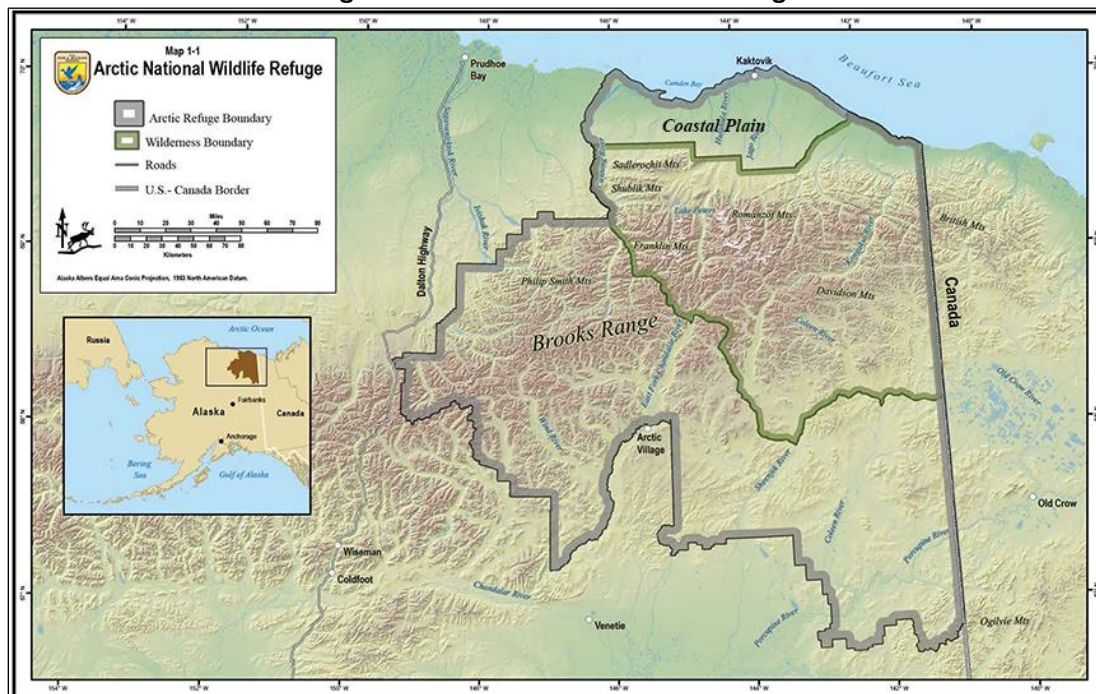
requires at least two lease sales in the Coastal Plain, one within four years of the law's enactment (i.e., by December 2021) and a second within seven years of enactment (December 2024). Each lease sale must offer at least 400,000 acres and must include those areas with the highest potential for discovery of hydrocarbons. The law also has provisions concerning management of the oil and gas program, minimum royalty rates for ANWR leases, disposition of revenues from the program, rights-of-way, and surface development. (For more information, see CRS In Focus IF10782, *Arctic National Wildlife Refuge (ANWR) Provisions in P.L. 115-97, Tax Cuts and Jobs Act.*)

During BLM's implementation of the ANWR oil and gas program, Congress has continued to debate leasing in the Refuge. Some Members support the program established in P.L. 115-97 and others seek to repeal it.

January 2021 Lease Sale

On January 6, 2021, under the Trump Administration, BLM held the first oil and gas lease sale for the ANWR Coastal Plain, offering 22 tracts on 1.1 million acres. The sale yielded a total of \$14.4 million in high bids on 11 tracts. BLM subsequently issued leases for nine of the tracts, covering 437,804 total acres. Seven leases went to the Alaska Industrial Development and Export Authority (AIDEA), a state-established public corporation. Two private companies that won leases later relinquished them.

Figure 1. Arctic National Wildlife Refuge



Source: FWS, *Arctic National Wildlife Refuge Comprehensive Conservation Plan*, April 2015. Edited by CRS.

Temporary Moratorium and Environmental Review

On January 20, 2021, shortly after taking office, President Biden issued Executive Order (E.O.) 13990. Among other provisions, the order directed the Secretary of the Interior to “place a temporary moratorium on all activities of the Federal Government relating to the implementation of the Coastal Plain Oil and Gas Leasing Program” and to conduct a “new, comprehensive analysis” of the program’s potential environmental impacts in a manner consistent with applicable law. Pursuant to the executive order, Secretary of the Interior Deb Haaland issued Secretarial Order 3401 on June 1, 2021, with similar requirements. BLM suspended operations on the awarded leases, temporarily prohibiting exploration and development of the leased tracts while a supplemental environmental impact statement (SEIS) was prepared under the National Environmental Policy Act (NEPA; 42 U.S.C. §§4321 et seq.) to reevaluate impacts of the leasing program. BLM released a draft SEIS on September 6, 2023. In March 2024, the Department of the Interior (DOI) reported to the U.S. District Court for the District of Alaska that a final SEIS was anticipated in the second quarter of 2024.

Lease Cancellations

On September 6, 2023, DOI separately announced the Secretary of the Interior’s decision to cancel the remaining ANWR leases (the seven leases held by AIDEA) from the 2021 lease sale. According to a DOI press release, the Secretary determined that the earlier NEPA analysis underlying that lease sale was “seriously flawed” and “based on ... fundamental legal deficiencies,” such as failure to analyze a reasonable range of alternatives, to “properly quantify” downstream greenhouse gas emissions, and to “properly interpret” certain provisions of P.L. 115-97. AIDEA has challenged the Secretary’s decision in court, and the State of Alaska has sued for revenues it alleges the state would have received had the leases not been canceled.

Alaska Native Lands in the Coastal Plain

Some lands within the boundary of the Coastal Plain are owned by Alaska Native corporations. A 1983 agreement, known as the Chandler Lake Agreement, provided that oil and gas development would not take place on these Alaska Native lands until Congress approved development of the Coastal Plain. P.L. 115-97 thus opened the possibility of oil and gas development on both the federal lands and the Alaska Native lands of the Coastal Plain. Alaska Native corporations applied for permits to conduct seismic exploration on their Coastal Plain lands, but BLM and FWS did not approve all the necessary permits.

Issues for Congress

The conflict between oil and natural gas potential and valued natural habitat in the Refuge has long created dilemmas for Congress when considering activities on the ANWR Coastal Plain. Broader questions about U.S. energy and climate also have shaped the debate. Supporters of oil and gas leasing assert that development of the Coastal Plain would increase American energy security and could replace energy developed overseas with fewer environmental safeguards than apply to the Refuge. Supporters also point

to potential economic benefits for the Refuge’s Alaska Native communities and for the state of Alaska generally. Opponents contend that ANWR leasing would irretrievably damage wildlife habitat and Alaska Native subsistence uses and, more broadly, that it represents a long-term investment in fossil fuels that would slow efforts to address climate change. For further discussion, see CRS Report RL33872, *Arctic National Wildlife Refuge (ANWR): An Overview*.

The 118th Congress is considering actions regarding oil and gas development on the ANWR Coastal Plain. House-passed H.R. 6285, the Alaska’s Right to Produce Act, would direct BLM to reissue the canceled Coastal Plain leases, restrict future lease cancellations, and declare that previous permitting and environmental review documents shall satisfy the requirements of multiple laws. It also would repeal the provision of E.O. 13990 that required the temporary moratorium (along with certain other provisions of that E.O.) and would direct that any presidential or secretarial moratoria on leasing activities shall have no force or effect. By contrast, other bills, H.R. 724 and S. 282, would repeal the ANWR leasing program and designate the Coastal Plain as part of the National Wilderness Preservation System under the Wilderness Act (16 U.S.C. §§1131 et seq.). In the 117th Congress, the House-passed version of budget reconciliation legislation (H.R. 5376) would have repealed the ANWR leasing program, canceled the awarded leases, and returned all related payments to the lessees. H.R. 815 and S. 282 also would have repealed the leasing program, whereas H.R. 1726 would have promoted oil and gas activity in the Coastal Plain by requiring congressional approval for a presidential leasing moratorium in the Refuge to take effect. None of these 117th Congress bills was enacted.

Regardless of the current lease cancellations, P.L. 115-97 directs BLM to hold a second ANWR lease sale by December 22, 2024. BLM’s work on the SEIS could inform future lease sales in the Coastal Plain. The draft SEIS considers several alternatives with differences in the extent of land that would be offered for leasing, the allowed areas of surface occupancy, and the required operating procedures for lessees to mitigate resource impacts. H.R. 6285 would direct that, rather than the SEIS, the second lease sale shall be conducted in accordance with an earlier record of decision from the Trump Administration.

Some specific conditions for future lease sales are required by law. For example, P.L. 115-97 limits surface development to 2,000 acres, which need not be concentrated in a single area. Congress could consider whether to legislate further concerning conditions of oil and gas development in the Refuge—for instance, by revisiting provisions considered in earlier bills (e.g., H.R. 49 and S. 49 in the 115th Congress) related to seasonal closures, land reclamation, species protection, use of the best available technology, employment of Alaska Natives, pipeline construction standards, and other matters.

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