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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 (DOI). 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. (For comparison, total U.S. petroleum consumption in 2023 was about 7.4 billion barrels.) 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 and development 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 activities in ANWR unless 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 program for ANWR's Coastal Plain and added this program as a stated purpose of the Refuge. The law required at least two lease sales in the Coastal

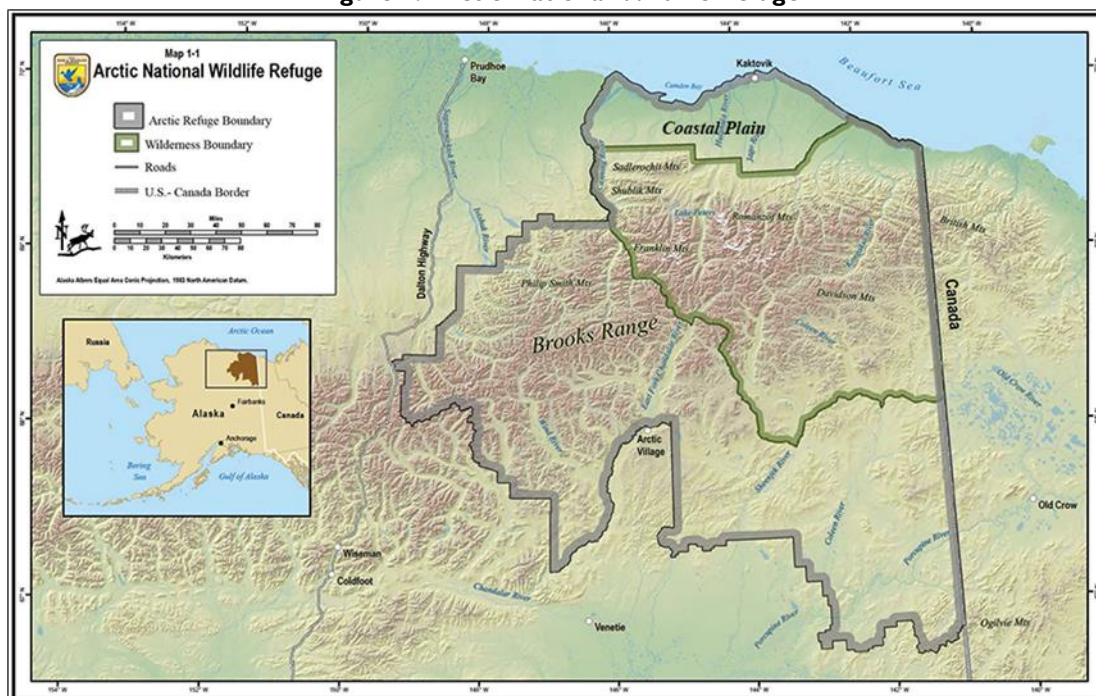
Plain, one within four years of the law's enactment (i.e., by December 2021) and a second within seven years (i.e., by December 2024). Each lease sale was required to offer at least 400,000 acres and to include those areas with the highest potential for discovery of hydrocarbons. The law also contained 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) Oil and Gas Program: 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, and BLM issued leases for nine tracts, covering 437,804 total acres. Seven of the leases went to the Alaska Industrial Development and Export Authority (AIDEA), a state-established public corporation. Two leases went to private companies, both of which later relinquished their leases.

Figure 1. Arctic National Wildlife Refuge



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

Shortly after taking office in 2021, President Biden issued Executive Order (E.O.) 13990, directing 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. Accordingly, DOI Secretarial Order 3401 directed BLM to suspend operations on the leases awarded at the 2021 sale, 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.

On September 6, 2023, DOI announced the Secretary of the Interior’s decision to cancel the ANWR leases from the 2021 lease sale (the seven leases held by AIDEA). According to a DOI press release, the Secretary determined 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.

January 2025 Lease Sale

BLM completed the SEIS required by E.O. 13990 on November 6, 2024. DOI issued a record of decision (ROD) on the SEIS on December 9, 2024, and announced the second Coastal Plain lease sale, which was scheduled for January 10, 2025. For the second lease sale, BLM required stricter environmental protections and offered less acreage than was offered at the first sale. BLM’s chosen alternative from the SEIS offered for leasing the minimum allowable acreage under P.L. 115-97 (400,000 acres), with approximately 80% of the acreage subject to restrictions on surface occupancy and/or timing limitations. AIDEA and the State of Alaska filed legal challenges regarding the ROD. Some 118th Congress legislative proposals would have directed that, rather than the 2024 ROD, the second lease sale should be conducted in accordance with an earlier ROD from the Trump Administration, which made available approximately 1.5 million acres—the entire Coastal Plain program area—for leasing for the 2021 sale (although later changes resulted in 1.1 million acres ultimately offered at that sale). The earlier ROD identified more than 60% of the acreage as subject to surface occupancy and/or timing restrictions.

On January 8, 2025, DOI announced that no bids had been received for the January 2025 lease sale by the bid deadline, thus concluding the sale with no acres leased. Some observers, including AIDEA, stated that BLM’s “strict” terms for the lease sale discouraged participation. Others noted other factors that could discourage industry interest, including the remoteness of the area with respect to existing infrastructure, expense of developing in Arctic conditions, lack of updated data on oil and gas resources, and potential environmental challenges to development activities. For

further discussion, see CRS Report RL33872, *Arctic National Wildlife Refuge (ANWR): An Overview*.

Alaska Native Lands in the Coastal Plain

Some lands in and adjoining 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. After the 2021 lease sale, Alaska Native corporations applied for permits to conduct seismic exploration on their lands, but BLM and FWS did not complete the approval process for the necessary permits.

Issues for Congress

Congress and stakeholders have long debated the conflict between oil and natural gas potential and valued natural habitat in the Refuge. Broader questions about U.S. energy and climate also have shaped the debate. Supporters of oil and gas leasing assert that Coastal Plain development would increase U.S. energy security and bring economic benefits to Alaska Native communities and other Alaska residents. Opponents contend that ANWR leasing would irremediably damage wildlife habitat and subsistence uses and, more broadly, that it represents a long-term investment in fossil fuels that would slow efforts to address climate change.

The status of the Coastal Plain oil and gas program may continue to be of interest to Congress. Congress may consider whether to require additional lease sales beyond the two required in P.L. 115-97, whether to prohibit further leasing, or whether to maintain the current statutory framework that leaves future leasing decisions to DOI. Some previously introduced legislation would facilitate oil and gas development by directing BLM to reissue the canceled Coastal Plain leases from the 2021 sale, restricting future lease cancellations or moratoria on leasing activities, and declaring that previous permitting and environmental review documents shall satisfy the requirements of multiple laws. Some other proposals, by contrast, 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.).

Congress also could consider whether to set additional requirements for managing oil and gas development in the Refuge. P.L. 115-97 set certain conditions, such as limiting production and support facilities to 2,000 acres. Congress could consider whether to revisit additional provisions from earlier bills related to seasonal closures, land reclamation, species protection, use of the best available technology, employment of Alaska Natives, pipeline construction standards, and other matters. Another potential issue for Congress is federal revenue from ANWR lease sales, which to date has been lower than some earlier predictions. Some previous bills would have required BLM to set minimum bids sufficient to produce specified revenue amounts.

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