

The NewsRoom

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**MMS to Move Forward with OCS Leasing Process for Chukchi Sea;
Proposed Sales for Norton Sound and Hope Basin Deferred from Current
5-Year Program**

ANCHORAGE-The Minerals Management Service will evaluate a possible lease sale in the Chukchi Sea in 2007 based on renewed industry interest in the area. The agency will not continue with proposed sales in Norton Sound and Hope Basin in the current 5-year program due to lack of industry interest in those areas. MMS issued a Call for Information on February 9, 2005, asking industry to nominate focused areas of interest under a special interest sale process

"We received broader industry interest in the Chukchi Sea planning area than expected," said John Goll, MMS Alaska regional director. "So we will proceed with the process to evaluate holding a conventional area-wide sale. This sale would not include the near-shore "polynya" area that is excluded from the current MMS 5-Year Program."

In response to the February Call, industry asked MMS to consider a substantial portion of the planning area. After reviewing the recommendations, MMS is initiating the process to hold an area-wide lease sale in the Chukchi Sea. MMS is starting its environmental evaluation and scoping by issuing a [Notice of Intent to Prepare an Environmental Impact Statement in the September 14, 2005 Federal Register](#). The area being considered for assessment in the EIS is the same area depicted for the Chukchi Sea in the February Call.

"It may not be possible for us to complete the evaluation and hold the sale in the current 5-Year Program, which began in July 2002 and expires in June 2007," Goll acknowledged. "If the sale process is not completed during this 5-Year Program, the Secretary may consider scheduling a Chukchi Sea sale in the next 5-Year Program cycle, 2007-2012."

Comments on the Notice of Intent must be received by MMS by October 31, 2005. MMS will review all comments received in response to the NOI. MMS plans to announce the area identification for Sale 193 in January 2006.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, as well as sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2004 disbursements of about \$8 billion and more than \$143 billion since 1982.

Additionally, the State of Alaska receives 27% of all revenues generated as a result of federal leases that lie within 3-to-6 miles offshore the Alaska coast, and 50% of this money goes into the Alaska Permanent Fund Account.

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