

# Biden admin defends approval of more Arctic oil exploration

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The Bureau of Land Management is defending its decision to approve new oil and gas exploration around a potential 1.6-billion-barrel oil prospect in the National Petroleum Reserve-Alaska.

Environmental groups balked at the agency's approval late last year of an exploration plan to drill an appraisal well for the massive Peregrine oil prospect, along with nearly 90 miles of snow roads, multiple 6-acre pads and man camps.

They cited concerns about the project's environmental review and the potential climate impacts of advancing such a significant oil project.

But BLM defended its decision in a recently published [response](#) to those criticisms. The agency argued that its review was thorough and reemphasized that the exploration project alone will not cause lasting harm to public lands.

BLM also defended the company's need to drill the wells.

"The extent of any commercial oil and gas prospects on the leases cannot be determined if the applicant is not allowed to drill the minimum number of wells needed to define prospective oil and gas deposits," BLM wrote in its response, which was dated February 2022.

Drilling in the 23-million-acre reserve, the largest block of federal lands in the country, has become a thorny political topic for the climate-conscious Biden administration. The question of what the Interior Department will allow in the NPR-A has both raised the ire of environmental activists and the hopes of oil supporters in Alaska.

That's because the NPR-A is home to two of the most significant oil discoveries in years on Alaska's North Slope, including the Peregrine find announced last year. In 2017, ConocoPhillips announced its Willow prospect, which could hold between 400 million and 750 million barrels of oil equivalent.

Willow's approval was vacated in August by a federal court decision that found Interior had failed to address climate impacts. The Biden administration is currently working on a supplemental environmental review to correct those deficiencies ([Energywire](#), Aug. 19, 2021).

Peregrine is in much earlier stages.

Last year, Australian company 88 Energy announced that its Merlin 1 exploration well had confirmed the potentially massive resource of crude oil at Peregrine. Managing Director Ashley Gilbert said at the time that the company was "thrilled" by the results.

"Results of this significance, together with the magnitude of the opportunity, merit a pace of evaluation that facilitates further drilling," he said.

88 Energy's subsidiary Emerald House LLC plans to drill the appraisal well, named Merlin 2, this month to learn more about the oil potential, according to a Jan. 16 company press release.

BLM [approved](#) the plan to drill Merlin 2 in December, after finding that the exploration was "not expected to result in any undue or unnecessary environmental degradation of public lands."

The agency said at the time that “all practicable alternatives and measures to reduce or eliminate impacts to wetlands and floodplains in the project area have been taken.”

Nonetheless, BLM opened an additional public comment period last month after several environmental groups raised concerns about climate and the integrity of previous environmental reviews.

The complaints lodged with BLM include an insufficient analysis of the climate implications of the Peregrine five-year exploration program, its impact on polar bears and caribou, and the need to do a more involved environmental review called an environmental impact statement before allowing additional drilling, according to BLM’s recently released response to those public comments.

Groups also said BLM incorrectly used a Trump-era management plan for the NPR-A as its underlying document when considering the Peregrine exploration, rather than a 2013 management plan penned during the Obama administration.

Biden’s Interior Department has committed to returning the reserve’s management plan to the 2013 version, which restricts oil and gas development to about half of the acreage of the reserve. The Trump administration update would have allowed oil and gas access in roughly 80 percent of the reserve.

In its response letter, BLM said the 2020 plan, “while currently under review by the Department of the Interior, remains in effect.”

BLM also noted that the exploration program is only preliminary, and additional reviews would be necessary if oil and gas is ever produced.

“Exploration drilling is necessary to verify the presence of oil, but drilling may not result in discovery of potentially producible oil or gas resources,” BLM responded. “If a discovery is made, it may take years to conduct required studies and to develop design proposals before the project is ready to submit for development approval to the BLM and other agencies.”

Peregrine has made waves both for its potential size and for its strategic importance in the NPR-A.

The reserve has been open to oil and gas development for many years, but has only more recently seen the incursion of significant drilling. If Peregrine and Willow move forward, they together would represent the potential for decades of oil and gas development in the western Arctic and a serious expansion of oil and gas infrastructure on public lands to support additional activity.

“88 Energy’s Peregrine project should not move forward until we clearly understand its impact [on] our nation’s climate future,” said Kristen Miller, acting director of the Alaska Wilderness League, in an email.

She noted that the project is as much as three times larger than Willow and that together they could belch 1 million metric tons of carbon dioxide into the atmosphere.

“America’s Western Arctic is on the frontline of our nation’s climate battle, and the Biden administration must fully vet the potential climate impacts of massive new fossil fuel projects like these,” she said.