

straight talk

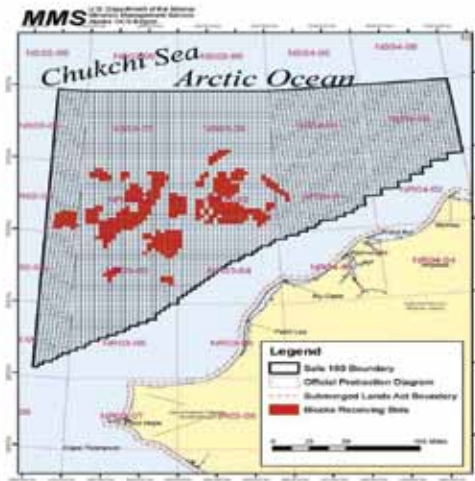
Alaska Oil and Gas Association



November 2010 – Issue 5

Alaskans Urged to Support OCS by Nov. 29, 2010

Alaskans have been called upon repeatedly over the last few years to voice their support for the development of oil and gas resources in the Outer Continental Shelf (OCS), and AOGA is asking Alaskans to continue this effort for the current comment period ending Nov. 29, 2010.



In February 2008, the federal government conducted the most successful lease sale in Alaska's history. The Chukchi Sea Lease Sale 193 generated \$2.7 billion in high bids for 487 leases. On Oct. 15, 2010, the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEM) issued a Draft Supplemental Environmental Impact Statement (SEIS) for this lease sale. The Draft SEIS addresses deficiencies in the original lease sale EIS identified by the U.S. District Court for Alaska in a July 2010 Order. Specifically, the District Court's Order instructed BOEM to: (1) analyze the environmental impact of natural gas development; (2) determine whether missing information identified by BOEM in the original EIS was essential or relevant under the federal regulations; and (3) determine whether the cost of obtaining the missing information was exorbitant, or the means of doing so unknown. BOEM will complete a Final SEIS and decide whether to affirm, modify or cancel Lease Sale 193 after it completes a public comment and review process.

Alaskans are encouraged to submit comments urging BOEM to affirm Lease Sale 193. Alaska's OCS is estimated to hold 30 billion barrels of oil and 132 trillion cubic feet of natural gas – one-third of the nation's OCS reserves. Access to these resources is vital to the nation's energy independence, the continued operation of the Trans-Alaska Pipeline and the

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Oil and gas is one of the state's leading economic engines, supporting one-third (110,000) of all Alaskan jobs.

On the Job

Tamara Sheffield, Support Services, Alaska Oil and Gas Association



Tamara on a North Slope tour early in her career.

Tamara (Preston) Sheffield became the receptionist for the Alaska Oil and Gas Association Dec. 11, 1980. For 30 years, her professional and positive demeanor has kept the AOGA office running efficiently and effectively. She currently serves in AOGA's Support Services position

providing support for three managers, the Board of Directors and all of AOGA's committees and work groups.

Bill Hopkins, the AOGA Executive Director at the time of Tamara's hire, had this to say: "I thought she might be too young when she was hired, but her sunny disposition won the day. Tamara's eager helpfulness can always be counted on, no matter the circumstance or issue. Tamara has always been a ray of sunshine and it shows in her bright voice greeting, 'Alaska Oil and Gas Association!'"

Tamara has the uncanny ability to adapt to any situation, including changing technologies. At the beginning of her career, it was an all paper business. Now in the digital world, she uploads content for AOGA's website, maintains AOGA's Facebook and Twitter accounts and is the unofficial IT support officer.

"I've had the privilege of working with Tamara throughout her 30-year career here at AOGA. Our members regularly call for her assistance and information. I'm constantly amazed at her unflappable

ability to handle the workload as we work on diverse issues. She really is the lifeblood of the Association," says AOGA Executive Director Marilyn Crockett.

Tamara is incredibly dedicated to her family. Her family moved to Anchorage at a very young age and she graduated from West High School. She and her husband Mike have raised their son Steven, who now works as a roustabout in the industry. When Tamara isn't volunteering for many community and charitable events she's spending quality time with family and friends, walking their dogs, gardening, snow machining, traveling and cheering for the Miami Dolphins and Florida Gators.

"I've worked with so many talented and wonderful people over the years," Tamara says. "I've had the opportunity to see just how dedicated the oil industry is to Alaska and its people." ♦



Tamara visits Ooguruk with a group of Alaska Legislators in October 2009.



Roxanne Sinz, Chevron enjoying the State Fair

AOGA in the Community

"Imagine if..."

AOGA was proud to sponsor a booth at the 2010 Alaska State Fair. This year's theme was "Imagine if..." Volunteers from Shell, ExxonMobil, BP, Statoil, Chevron, Alyeska Pipeline, Marathon, Eni and staff from AOGA spent 12 days sharing information about the state's largest private industry.

For more information about AOGA, please visit our website at www.aoga.org. ♦



Executive Director's Message

Election is Over – Now the Work Begins

Ah, the sweet sound of silence and empty mailboxes. The ads have returned to selling mattresses and automobiles. The election of 2010 is over, although one important race will not be final for a few more weeks.

Running for any political office is a strenuous endeavor with long hours for the candidate and the many volunteers. I'd like to take this opportunity to thank everyone, winners and losers, for stepping up and caring enough about this state to put their names on the ballot.

Although the election is over work must begin on how to deal with what should be the number one issue for all Alaskans: How to get more oil into Alaska's lifeline – the Trans-Alaska Pipeline System (TAPS).

Production is currently hovering at about 645,000 barrels per day. That means TAPS is operating at

only 30 percent of its capacity. Since the passage of ACES (Alaska's production tax system), the number of wells drilled in the state has declined by 20 percent. These are trends that must not continue.

We join other statewide business organizations such as the Resource Development Council, the Alaska State Chamber, the Alliance and more in the belief that taxes affect investment in this state.

In national exit polls this week, 89 percent of Americans who voted said the economy was their No. 1 concern. In Alaska, petroleum accounts for one-third of the state's economy. There are things our policymakers can do to effect positive change for our industry and economy.

We look forward to working with Gov. Sean Parnell, the familiar and new faces in the State Legislature and all Alaskans in developing solutions to keep our pipeline and economy viable for years to come. ♦

Exploraton Update

NPRA Assessment

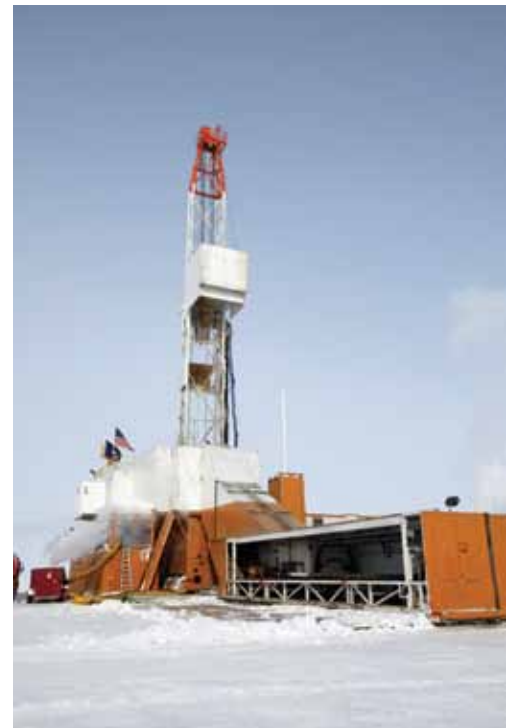
In our last issue of Straight Talk we reported on the Bureau of Land Management's (BLM) development of a new Integrated Activity Plan (IAP) and Environmental Impact Statement (EIS) for the National Petroleum Reserve-Alaska (NPRA).

Late last month the U. S. Geological Survey (USGS) released an updated assessment of the resource potential of NPRA. The update caught the attention of many Alaskans because USGS downgraded its previous estimate by nearly 90 percent.

	2002	October 2010
Oil	10.6 billion barrels	896 million barrels
Gas	59.7 trillion cubic feet	53 trillion cubic feet

USGS states that this update reflects analysis of exploration efforts during the last 10 years since NPRA was reoffered for leasing and on other research, and the new estimate applies to the entire Reserve.

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Alaskans Urged to Support OCS continued

economic feasibility of the proposed natural gas pipeline from the North Slope to the Lower 48.

BOEM held public hearings in Kotzebue, Point Hope, Point Lay, Wainwright, Barrow and Anchorage in early November. Comments will be accepted via U.S. Postal Service or email through Nov. 29, 2010. ♦

Comments may be emailed to:

BOEMREAKPublicCommen@boemre.gov

(Note: The email address specifically excludes the letter "t.")

You may also mail comments to: Regional Director, Alaska OCS Region, Attn: Chukchi Sea Draft EIS, BOEMRE, 3801 Centerpoint Drive, Suite 500, Anchorage, AK 99503-5820.

NPRA Assessment continued



Unfortunately, the only true test to determine what lies underground is the actual drilling of wells. And since the most highly prospective region within the Northeast Planning Area has been off limits to oil and gas leasing and exploration, data is unavailable for that region.

Nevertheless, development of NPRA can play an important role in stemming the decline of overall Alaska production and extending the life of TAPS, and Alaskans should continue to support management of NPRA for its original purpose. Alaskans will have future opportunities to provide input on the IAP through public meetings in early 2012. We will keep you updated when those opportunities are confirmed.

A copy of the assessment and fact sheets can be viewed at: <http://energy.usgs.gov/alaska/npra.html>. ♦

Alaska Oil and Gas Association

AOGA's members are companies that represent the majority of oil and gas exploration, production, refining, transportation and marketing activities in Alaska.

Follow us on Facebook and Twitter. Learn more at aoga.org  

straight talk



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