**What Obama's Drilling Bans Mean for Alaska and the Arctic**

**Directions:** Read the article and answer the questions in COMPLETE sentences.

By Joel K. Bourne Jr.

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President Barack Obama has effectively banned oil exploration, at least for the time being, on some 22 million acres of federal land and waters in Alaska: [12 million acres on land](http://news.nationalgeographic.com/news/2015/01/150125-arctic-wilderness-conservation-environment-energy/) in the Arctic National Wildlife Refuge (ANWR), and [10 million acres offshore](http://news.nationalgeographic.com/news/energy/2015/01/150127-atlantic-coast-natural-gas-offshore-drilling-environment-energy/) in the Beaufort and Chukchi Seas.

The policy, announced last week, won't have much effect on the nation's oil production—[Alaska accounts for only 7 percent of it](http://www.eia.gov/tools/faqs/faq.cfm?id=35&t=6), and most of the protected areas have been off-limits to industry for decades. And it didn't really change the status quo *(the way things are now)* or offer anywhere near the environmental protection the President could have conveyed. But he sure ticked off *(upset)* some Alaskans.

The Obama administration compensated the oil industry generously: Braving [opposition from marine scientists and environmentalists](http://news.nationalgeographic.com/news/2015/01/150129-ocean-atlantic-offshore-drilling-oil-environment-animals/), it opened up tens of millions of acres off the mid-Atlantic coast and in the Gulf of Mexico to drillers.

1. Where did the Obama administration ban oil exploration?
2. How did they compensate the oil industry for this?

**Alaska Needs Money**

Other countries are moving more aggressively to develop their Arctic resources. [Norway recently announced that it would open more areas](http://news.nationalgeographic.com/news/energy/2015/01/150122-norway-arctic-drilling-ice-climate-change-energy-oil/) for drilling in the Barents Sea.

The trend in Alaska is in the other direction. Oil production began at Prudhoe Bay on the North Slope in 1977 and peaked in the 1980s, when Alaska produced a quarter of U.S. oil. Prudhoe's oil production has lately been declining at close to 10 percent a year, says David Houseknecht, a research geologist with the U.S. Geological Survey.

Though nearly twice the size of Texas, Alaska has fewer residents (735,000) than Charlotte, North Carolina, and they pay no income tax or sales tax. More than 90 percent of the state's revenue comes from taxes on oil and gas infrastructure and the oil flowing through the Trans-Alaska Pipeline—which is now a third of what it was at its peak.

Declining oil production on the North Slope and the low price of oil has left [the state with a $3.5 billion budget deficit](http://gov.alaska.gov/Walker/press-room/full-press-release.html?pr=7059), forcing it to spend $10 million a day from its savings just to make ends meet. As a result, Alaska officials are highly motivated to open new areas to oil exploration.

3) Why are Alaskan government officials in favor of opening more areas up to oil drilling?

Data from the last seismic survey done in the ANWR in the early 1980s suggest the region potentially contains some ten billion barrels of recoverable oil, says Houseknecht—[enough to meet U.S. demand for about a year and a half](http://www.eia.gov/tools/faqs/faq.cfm?id=33&t=6). But the uncertainty is large. In 2002, estimates of the recoverable oil in the vast National Petroleum Reserve-Alaska (NPRA), to the west of Prudhoe Bay, were also more than ten billion barrels. That estimate [fell by 90 percent in 2010](http://www.usgs.gov/newsroom/article.asp?ID=2622#.VMp90MbFq38) after exploratory wells found mostly gas.

Instead of opening up the ANWR to more surveying and drilling, the Obama administration has reaffirmed the policy of keeping it a refuge from such activity. "We're thrilled that the President recognized the value of the Arctic refuge," says Nicole Whittington-Evans, the [Wilderness Society](http://wilderness.org/)'s Alaska regional director. "It's a national treasure, important for millions of migratory birds, nesting polar bears, and the [porcupine caribou](http://eol.org/data_objects/31960360) herd that local communities depend on for subsistence.

1. Do we know exactly how much recoverable oil is located the ANWR? Why or why not?
2. How is the ANWR important for wildlife?

**Mixed Feelings Locally**

Among the Inupiat residents of the North Slope, the question of where drilling should be allowed is a divisive *(controversial)* one. They have preferred onshore oil and gas development to offshore rigs that might disturb the bowhead whale. Carefully controlled whale hunts and the sharing of whale meat among families are among the most revered *(worthy of great honor)* traditions that remain in a culture now rapidly assimilating *(to become part of)* into the Western world and suffering many of its ills. North Slope communities have one of the [highest rates of teen suicides](http://www.sciencedirect.com/science/article/pii/S0277953606003868) in the world.

Many of the Inupiat, however, are almost wholly dependent on the oil industry for tax revenue and jobs, just like the rest of Alaska. That might be slowly eroding their long-standing opposition to offshore drilling. Last summer, Shell created a joint venture that gives the Inupiat-controlled Arctic Slope Regional Corporation (ASRC) and six North Slope villages the option to buy into Shell's Chukchi Sea leases.

Jack Schaefer (the Mayor of Point Hope) believes the noise from seismic survey activity in the Chukchi Sea over the past decade has already damaged the health of seals and walruses—which affects the Inupiat as well. "The economic and social stress on our community hasn't changed," Schaefer says. "We are still 80 percent to 90 percent subsistence, and the walrus, the fish, the seals we depend on are still threatened."

1. How can drilling for oil in Alaska be detrimental *(negative)* for the Inupiat?
2. Why might some Inupiat residents support oil drilling in Alaska?