



ALASKA MINERS ASSOCIATION, INC.

3305 Arctic Blvd., #105, Anchorage, Alaska 99503 • 907) 563-9229 • FAX: (907) 563-9225 • www.alaskaminers.org

July 11, 2011

Regional Director
Bureau of Ocean Energy Management, Regulation and Enforcement
Alaska OCS Region
3801 Centerpoint Drive, Suite 500
Anchorage, Alaska 99503-5820

RE: Comments on *Outer Continental lease Sale 193 RDSEIS*

Thank you for the opportunity to provide comments on the "*Outer Continental Lease Sale 193 SEIS*". Recent global developments, including unrest in the Arab world, provide abundant justification for exploring and responsibly developing domestic energy and mineral resources that are critical to the economic and strategic security of the United States.

The Alaska Miners Association (AMA) is a non-profit membership organization established in 1939 to represent the mining industry. The AMA is composed of more than 1200 individual prospectors, geologists and engineers, vendors, small family miners, junior mining companies, and major mining companies. Our members look for and produce gold, silver, platinum, diamonds, lead, zinc, copper, coal, limestone, sand and gravel, crushed stone, armor rock, etc. Availability of reasonably priced energy is critical to the mining industry in Alaska. AMA supports responsible exploration for and development of the nation's offshore oil and gas resources and reducing our dependence on foreign sources of supply.

Oil and gas resources provide for more than 60% of the Nation's energy needs and are especially important to the transportation and industrial segments of the U.S. economy (<http://tonto.eia.doe.gov/>). This is extremely significant for the mining industry which depends largely on mobile equipment powered by diesel engines. These commodities will continue to provide for the majority of the Nation's energy needs well into the future. They are also used to generate dependable sources of base load energy which cannot be substantially replaced by renewable energy sources like wind and solar which are expensive and unreliable sources of base load energy. The question facing America is whether to develop our own oil, gas, and mineral resources or become increasingly dependent on foreign sources of supply.

The AMA supports affirmation of the 2008 Lease Sale 193 for the following reasons:

Offshore energy exploration and production are vital components of our national energy strategy. U.S. demand for oil and natural gas are projected by the Department of Energy to increase for the foreseeable future. More importantly, OCS development creates and supports hundreds of thousands of jobs throughout the U.S. economy. Offshore energy operations in Alaska stand ready to provide this nation with significant oil and gas resources – resources that

can be produced safely right now. The Alaska OCS lease sale 193 has potential for the discovery of mega fields in relatively shallow water depths (<300 feet).

Offshore energy development is important to the mining industry. AMA supports lease sales that offer additional potential for the production of strategically and economically important quantities of oil and gas. These energy resources are needed by the energy intensive Alaska minerals industry.

Diversification of the Nation's energy supplies is critical to national security. AMA supports efforts by the United States to diversify its sources of energy and encourage an energy policy that advocates domestic development of both renewable and non-renewable energy resources. Development of Alaska's OCS hydrocarbon resources will support this goal by helping to diversify domestic sources of oil and gas away from the Gulf Coast Region (GCR) and help reduce the Nation's energy imports. International unrest and extreme weather conditions will continue to affect hydrocarbon production and availability. However, diversification of our energy sources will help alleviate future energy shortages.

The United States must responsibly move forward with domestic offshore energy exploration and development to meet our future energy needs. OCS Lease Sale 193 is a step in the right direction. We also encourage BOEMRE to include revenue sharing with states and local communities in its leasing plan. Those areas most directly affected by oil and gas development should share in the revenues generated.

Sincerely,

A handwritten signature in blue ink, appearing to read 'S. Borell', with a stylized flourish at the end.

Steven C. Borell, P.E.
Executive Director

Cc. Senator Lisa Murkowski
Senator Mark Begich
Congressman Don Young
Governor Sean Parnell