



## The Future of the Alaska Offshore?



Pete Slaiby  
Shell Alaska Vice President

## Arctic Policy

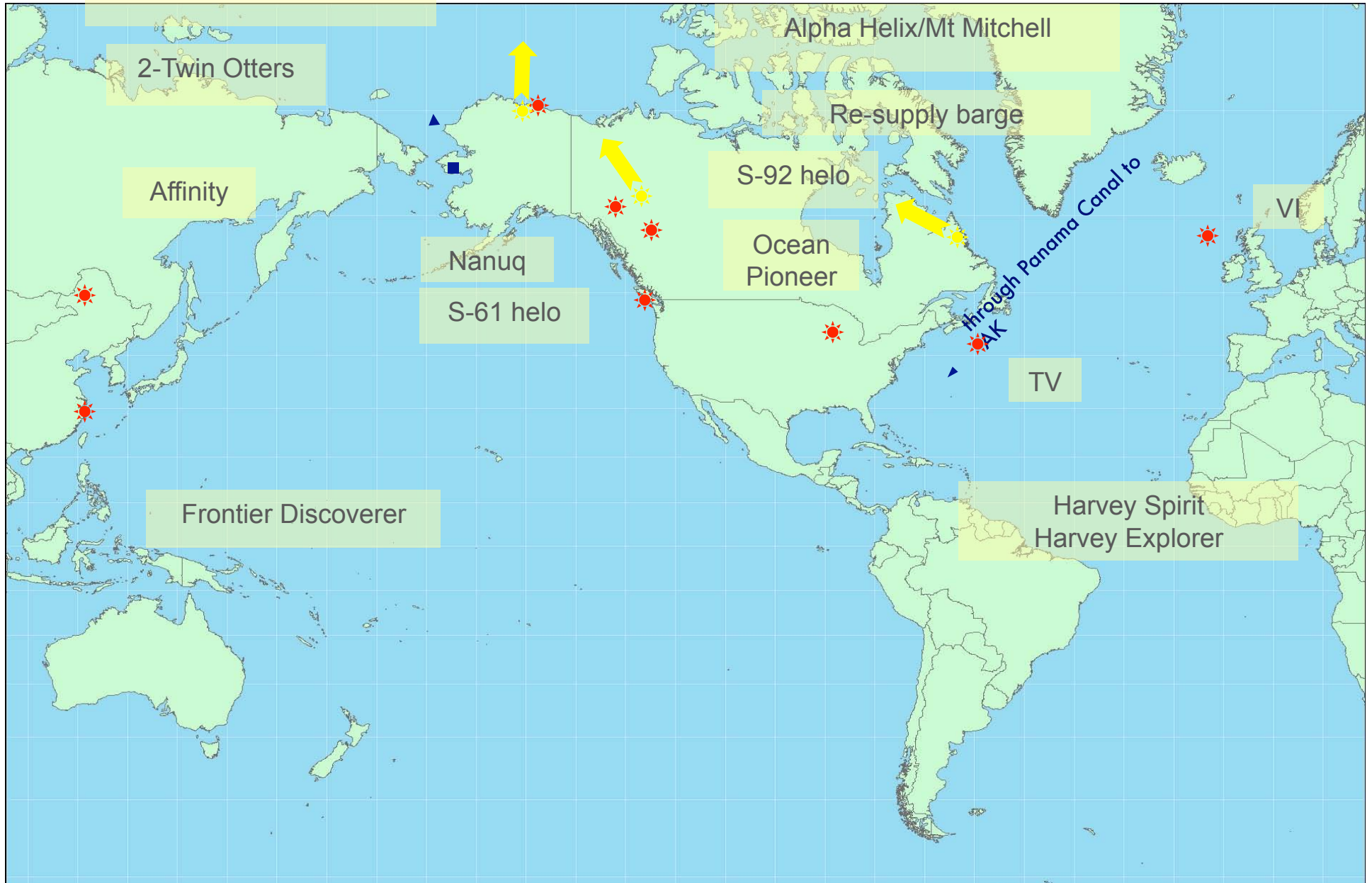
- March 31, 2010
  - President Obama announces limited access to Beaufort/Chukchi Sea
  - Secretary Salazar commits to submit supplemental science to D.C. Circuit Court to complete Chukchi Lease Sale 193
- Shell makes “go” decision for 2010 drilling



# Mobilization Underway

Annika Marie  
Endeavor/Pt Oliktok

Arctic Seal



2-Twin Otters

Affinity

Nanuq

S-61 helo

Frontier Discoverer

Alpha Helix/Mt Mitchell

Re-supply barge

S-92 helo

Ocean Pioneer

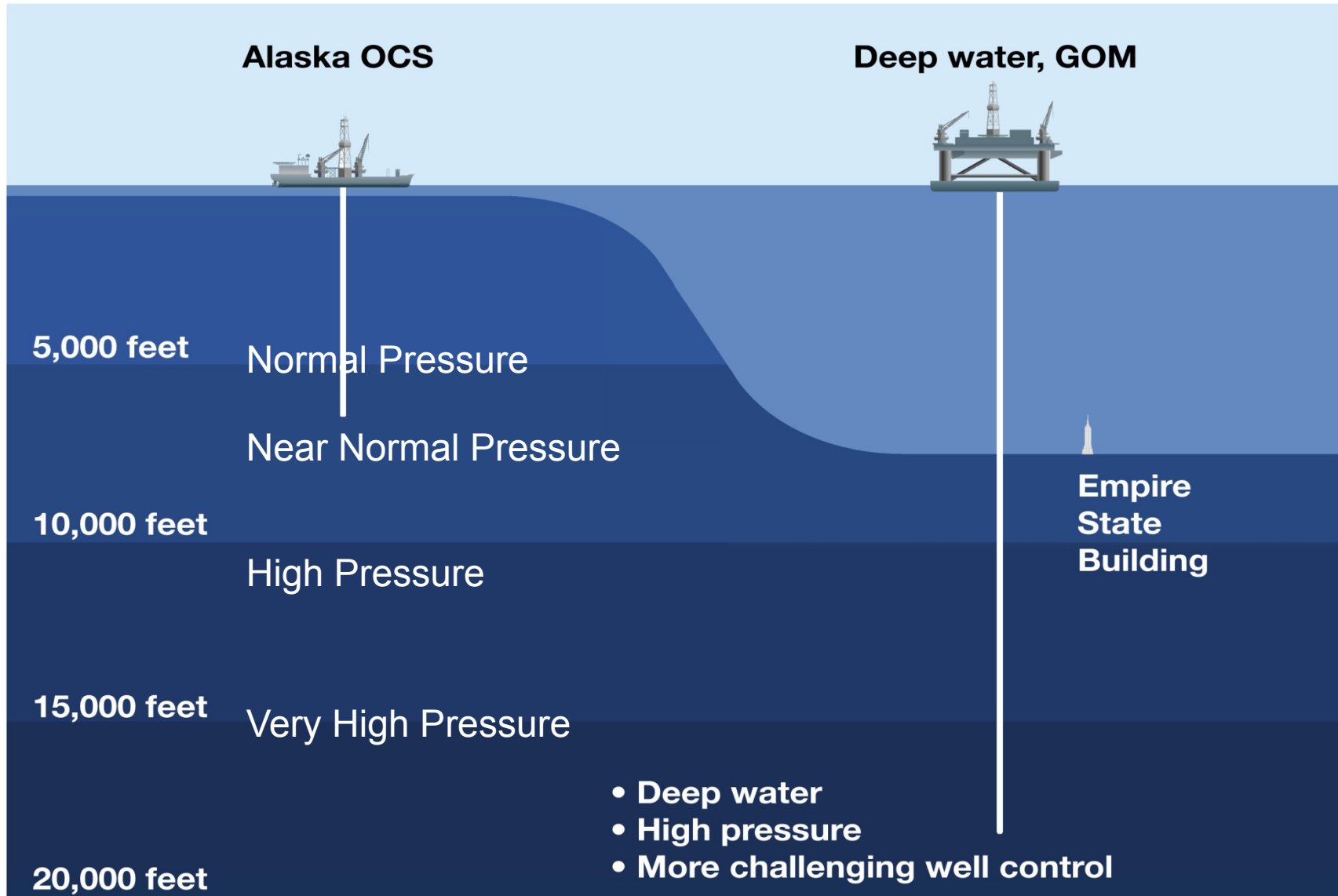
TV

Harvey Spirit  
Harvey Explorer

VI

through Panama Canal to  
AK

# Alaska Is Not Deepwater GOM



# Déjà vu All Over Again

- May 17<sup>th</sup> - Secretary Salazar Announces No New Drilling Permits
  - Shell Alaska Uncertain As to Application to Alaska Project
- May 26<sup>th</sup>- President Obama “Suspends” Arctic Drilling
  - Shell Alaska 2010 Program Effectively Cancelled
- Presidential Oil Spill Commission Formed
- MMS becomes BOME
  - Agency splits by function



## 2011 Beaufort Sea APD

- October 6, 2010
  - Shell files APD with BOEM with intent to drill in Beaufort Sea in 2011
  
- 2011 Program similar with new assets:
  - Oil spill containment system
  - BOP modifications
  - Second drilling rig in theatre
  
- Heavy emphasis on D.C.



# East Coast Bias

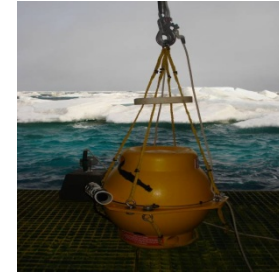
- Shell brings Arctic campaign to Lower 48
  - Ads/linked YouTube videos placed in NYT, WSJ, Washington Post
  - Educational for general public



November 17, 2010

## Environmental Studies Program – 2010

- Marine Mammal observations on all vessels conducting activities
- Twin-Otter Overflights
- Multi-disciplinary ecosystem investigations
  - Plankton – Benthos- Fishes – Birds – Mammals - Acoustics
  - Onshore ecological characterization
- Work with investigators and stakeholders to advance Alaskan offshore
  - Universities, Agencies, Industry partners
- BASC work on dispersants in Arctic
- Science agreement with the North Slope Borough





# The Future of Alaska OCS?

- Uncertainty:
  - Permits and authorizations subject to increased delay
  - No understanding of what “credible” an “acceptable” operations look like
- Certainty:
  - If long-term offshore decisions are based on facts;
    - Jobs will be created
    - Domestic energy will increase
    - TAPS operational life will be extended



