State of Alaska

Department of Natural Resources

Division of Geological and Geophysical Surveys

ENERGY RESOURCES SECTION

3001 Porcupine Drive Anchorage, Alaska 99501

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*Note: This report deals with the two major petroleum resources, oil and gas. The oil shale and tar sand potential of Interior Alaska is considered significant and will be covered in a later report.

& THE IMPACT OF FEDERAL LAND POLICIES
ON THEIR AVAILABILITY

OIL & GAS*

ALASKA OPEN FILE REPORT 50

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PURPOSE

PART I OF THIS REPORT INDICATES WHERE OIL AND GAS MAY BE LOCATED IN ALASKA, AND ESTIMATES HOW MUCH OF IT CAN BE ECONOMICALLY PRODUCED.

PART II DISCUSSES THE AVAILABILITY OF OIL AND GAS LANDS IN ALASKA WITH REGARD TO PRESENT AND PROPOSED LAND USE POLICIES.

TABLE OF CONTENTS

PART I		3.	Figure 2 — Estimated Ultimate Impact of	Page
Estimated Speculative Recoverable Resources of Oil and Gas in Alaska	Page 1		Previous and Proposed Public Land Withdrawals on Oil and Gas Potential Land (Onshore)	. 13
Introduction		4.	Map of Alaska Showing Proposed Ultimate Use of Oil and Gas Potential Land in Alaska	. 14
Conclusions		5.	Figure 3 — Effect of Lands of High Adverse Impact on Oil and Gas Development	. 15
Calculations		6.	Map of Alaska Showing Oil and Gas Potential Areas with Proposed Lands of High Adverse Impact (4 overlays)	. 16
Resources of Oil and Natural Gas in Alaska	`5	,· 7.	Figure 4 Effect of Multiple Use Lands on Oil and Gas Potential Areas	. 17
Provinces and Speculative Recoverable Oil and Gas	6	8.	Map of Alaska Showing Multiple Use Lands (1 overlay)	. 18
PART II Land Resource Evaluation	. 7	9.	Figure 5 — Effect of State Land on Oil and Gas Potential Areas	. 19
Introduction		10.	Map of Alaska Showing Oil and Gas Potential Areas and State Lands (1 overlay)	20
Recommendations	9	11.	Figure 6 — Effect of Native Lands on Oil and Gas Potential Areas	. 21
Maps and Figures 1. Figure 1 — Present Impact of Previous and Proposed Public Land Withdrawals on Oil and Gas Potential Land in Alaska (Onshore)	. 11	12. Referenc	Map of Alaska Showing Oil and Gas Potential Areas with Native Land (2 overlays)	
Map of Alaska Showing Present Use of Oil and Gas Potential Land in Alaska	. 12			

Part 1

ESTIMATED SPECULATIVE RECOVERABLE RESOURCES

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OIL AND GAS IN ALASKA

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INTRODUCTION

The Division of Geological and Geophysical Survey has calculated the estimated speculative recoverable resources of oil and natural gas for the State of Alaska. Included is a map of the State showing areas of oil and gas potential, and a table which summarizes the estimated speculative recoverable resources of oil and gas for each onshore basin and offshore petroleum province in the State.

Estimates of this type are subject to a high degree of error. However, the figures are considered to be conservative, as they assume an average distribution of reserves based on reasonable and moderate limits of other producing areas. Historically, calculations of this type do not take into consideration the possibility of discovering giant oil fields. Thus, the discovery of Prudhoe Bay; the possibility of 14 billion barrels of oil in the Marsh Creek anticline in the Arctic National Wildlife Refuge (Hartman, 1973), the large structures in the Gulf of Alaska and the large sedimentary province in the Bering Sea all suggest that there is a much better than average chance that Alaska contains a number of giant oil fields. It is therefore considered that pessimistically the figures could be 25% too high, but with the addition of a few giant oil fields they may be 50% too low.

Speculative recoverable petroleum resources are here defined as those petroleum resources which are completely undiscovered, and which after discovery can reasonably be expected to be produced using present technology and economic conditions.

CONCLUSIONS - Part !

- It is estimated that Alaska has 231,887 square miles of land on shore, and 394,881 square miles of land offshore on the continental shelf which has the potential of containing economic deposits of oil and gas. These areas are delineated on the map titled, "Estimated Speculative Petroleum Potential."
- 2. Basin by basin estimates of the speculative recoverable oil and gas resources in Alaska are indicated in Table 1 and on the map titled, "Estimated Speculative Petroleum Potential." Total resources are estimated to be 76.1 billion barrels of oil and 439.6 trillion cubic feet of gas. Total discovered recoverable reserves are 10.5 billion barrels of oil and 29.7 trillion cubic feet of gas. Cumulative production as of March 1973 was .5 billion barrels of oil and .6 trillion cubic feet of gas. These figures sum to an estimated total potential ultimate production of onshore and offshore Alaska of 86.6 billion barrels of oil and 469.3 trillion cubic feet of gas.

CALCULATIONS

The following method was used for calculating the estimated speculative recoverable petroleum resources in Alaska basins:

1. Each sedimentary basin was given a rank of I, II, or III based on known parameters such as production, oil shows, age and quality of the sedimentary section, presence or absence of known reservoir and source beds, and known structures that may contain oil and/or gas.

- 2. A search of the literature was made to determine reasonable recoverable oil figures per cubic mile of sediment. This has been calculated to be:
 - a. 150-300 thousand barrels in selected Tertiary trends in the coastal zone of the Gulf of Mexico.
 - Average 80,000 barrels per cubic mile in all Gulf of Mexico coastal sediments (Mason, 1971)
 - Average 50,000 barrels per cubic mile in contiguous United
 States producing basins (Mason, 1971)
 - d. Crick (1971) calculated in place reserves in Upper Cook Inlet, at 1.5 million barrels per cubic mile. He estimated 386,000 barrels per cubic mile would be found in the entire Cook Inlet. This figure reduces to approximately 115,000 barrels per cubic mile assuming 30% recovery.
- 3. Each basin was assigned a barrels per cubic mile figure based on its rank. A Rank I basin was assigned 75,000 barrels per cubic mile; Rank II 50,000; and Rank III 30,000.

The exceptions to this were the Cook Inlet, which has enough production to get a more accurate figure, the North Slope Basin which has significant oil discoveries and high future potential, and the Gulf of Alaska offshore which is considered to have at least as much potential as Cook Inlet.

4. A map was made showing all of the potential oil and gas areas in the State. This was done for sedimentary basins onshore where the basin outlines are relatively well known. Sedimentary provinces were used offshore rather than basins. A sedimentary province is defined as an area with sufficient sedimentary section to have accumulated and trapped petroleum.

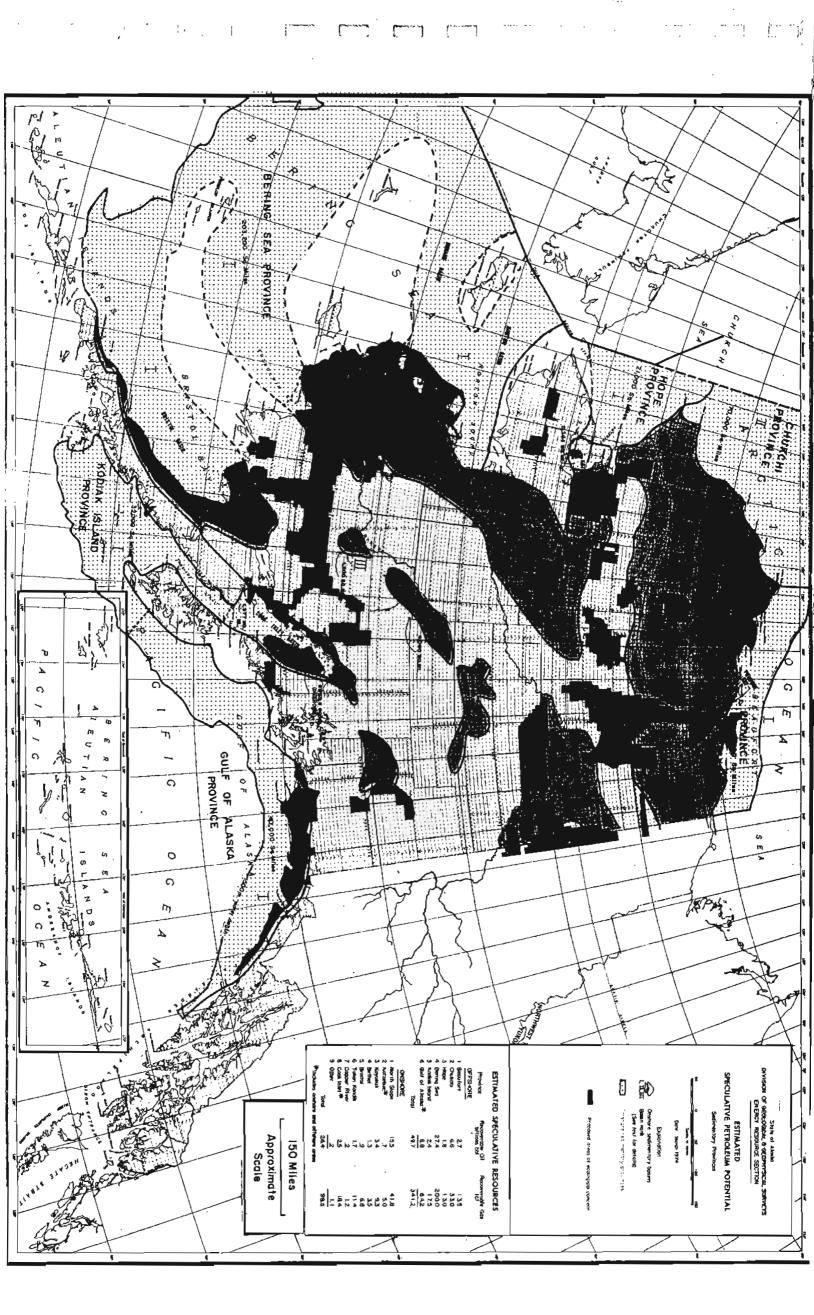
Public data is very limited in offshore areas and it was therefore felt that a province approach was more realistic. The provinces are limited to the 1,500 meter water depth. The surface area of each basin and province was then calculated from the map.

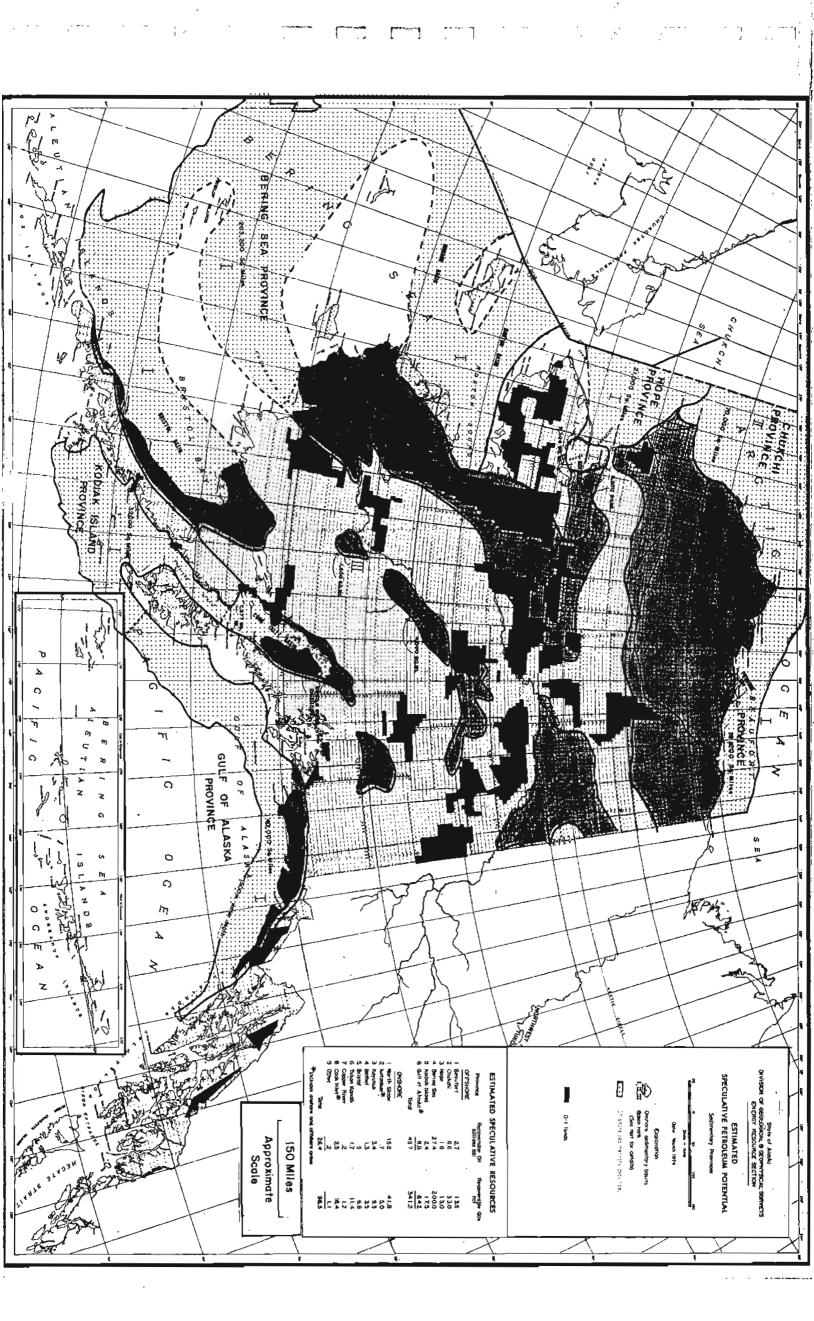
- 5. The average thickness of sedimentary rock was calculated for each basin and province. This figure was obtained from published data, well penetration depths, geophysical information, measured sections, and experience of different members of the Division of Geological and Geophysical Survey. An effective economic total thickness of 25,000 feet was used even though some basins contained 30,000 to 40,000 feet of sediment.
- 6. Speculative recoverable oil was calculated by multiplying area times average sediment thickness times anticipated barrels of oil per cubic mile. Speculative recoverable gas was calculated using the Cook Inlet ratio of 7.3 MCF (thousand cubic feet) per barrel of oil in Tertiary basins, and the Prudhoe Bay ratio of 2.7 MCF per barrel of oil in Mesozoic and Paleozoic basins.

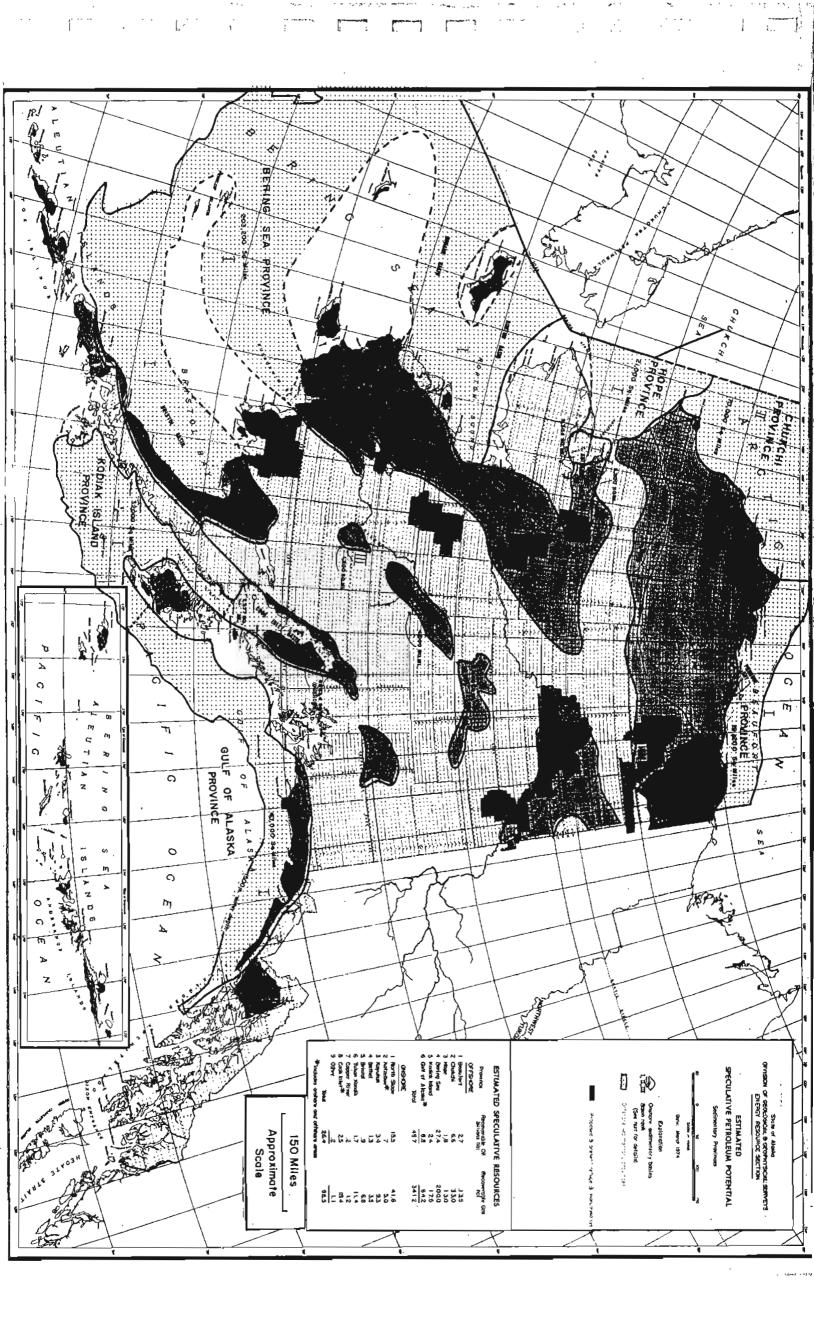
Table 1 ESTIMATED SPECULATIVE RECOVERABLE RESOURCES OF OIL AND NATURAL GAS IN ALASKA

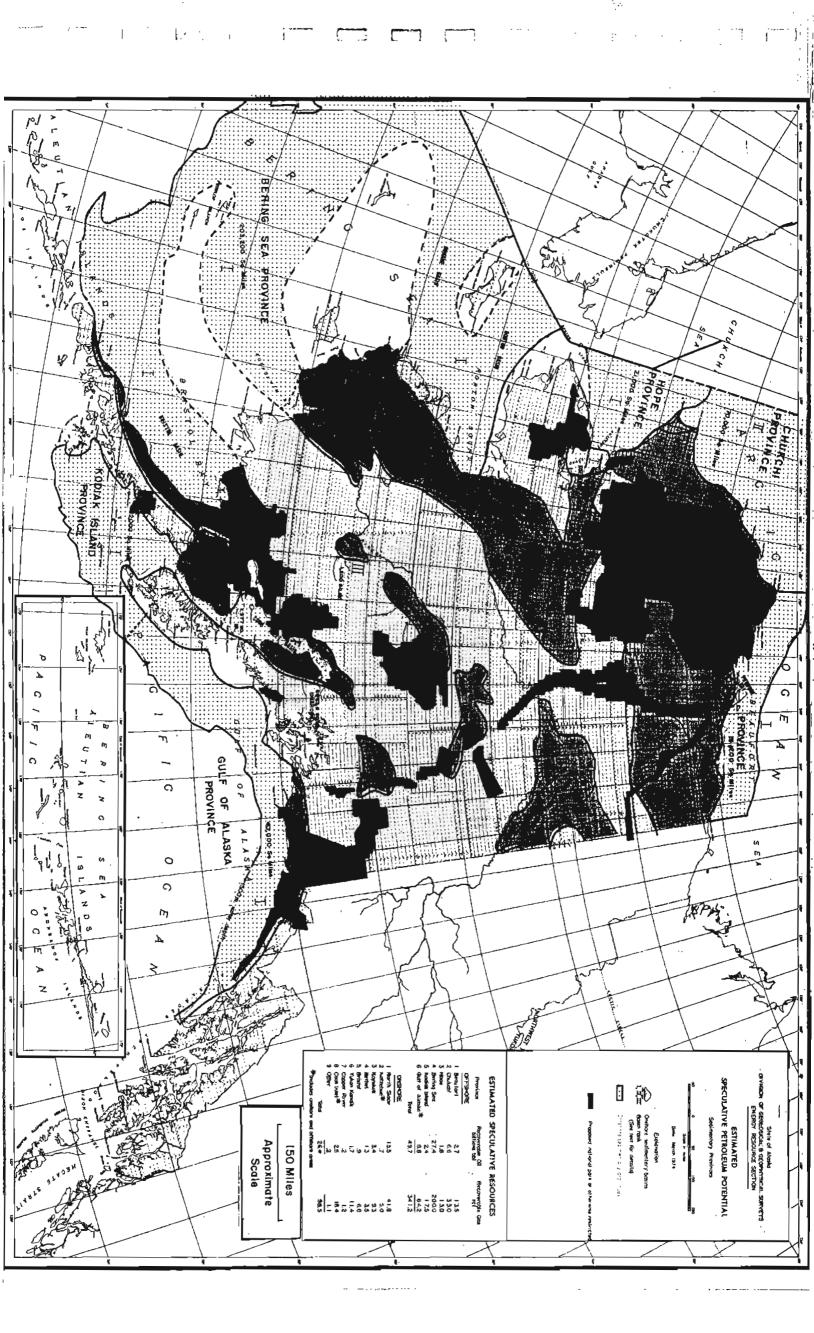
Geologic Basin or Province	Rank ¹	Geologic Section	Sq. Miles	Ave. Thick, (miles)	Cu. Mi. of Sediment (To Max. Drilling Depth of 25,000')	Bbls. af Oil Per Cu. Mi.	Estimated Speculative Recoverable Resources — Oil (Billions of Barrels)	MCF per Barrel	Speculative Recoverab Resources Gas (Trilling of Cu. Ft.
ONSHORE							· · · · · · · · · · · · · · · · · · ·		
Cook Inlet*	I	Tertiary & Mesozoic	6,083	1.33	8,064	115,000	.93	7.3	6.67
Copper River	HL	Tertiary	3,840	1.4	5,376	30,000	.16	7.3	1.20
Holitna	113	Tertiary	1,200	.47	564	30,000	.02	7.3	.12
Minchumina	} 111	Tertiary	4,000	.47	1,894	30,000	.06	7.3	.41
Middle Tanana	Ш	Tertiary	5,440	.47	2,556	30,000	.08	7.3	.58
Yukon — Kandik	13	Tertiary & Paleozoic	15,440	1.9	29,336	50,000	1.50	7.3	10.90
Yukon — Kandik	111	Mesozoic & Pałeozoic	4,064	1.42	6,770	30,000	.17	2.7	.47
Gulf of Alaska*	1	Tertiary	10,080	2.08	20,966	76,000	1.6	7.3	11.6
Bristol Bay	(1	Tertiary & Mesozoic	12,320	1.52	18,726	60,000	.94	7.3	6.83
Kotzebue* (Selawik)	II	Tertiary & Mesozoic	3,200	1,89	6,048	50,000	.30	7.3	2.19
North Slope	I	Tertiary & Mesozpic	66,400	1,9	126,160	100,000	12.6	2.7	34.0
North Slope	13	Mesozojc & Paleozoic	30,240	1.9	57,456	50,000	2.9	2.7	7.8
Yukon — Koyukuk	1	Mesozoic	2,400	1.89	4,645	75,000	.34	2.7	.9:
Yukon — Koyukuk	311	Mesozoic	53,440	1.9	101,536	30,000	3.1	2.7	8.4
Bethel	н	Tertlary & Mesozoic	13,760	1,9	26,144	50,000	1.3	2.7	3.5
Subtotal			231,887		415,141		26		95.5
OFFSHORE									
Cook Inlet ⁴	I	Tertiary & Mesozoic	7,377	1.89	13,943	116,000	1.6	7.3	11.6
Gulf of Alaska ⁺	1	Tertiary	40,000	1.8	72,000	100,000	7.2	7.3	52.6
Kodiak Island Prov.	ı	Tertiary & Mesozoic	32,000	1.0	32,000	75,000	2.4	7.3	17.5
Bering Sea Prov.	I	Tertiary & Mesozoic	203,000	1.8	365,400	75,000	27.4	7.3	200.0
Kotzebue [†]	ι	Tertiary & Mesozoic	2,304	2.27	5,230	75,000	.39	7.3	2.84
Hope Province	1	Tertiary	21,000	1.14	23,940	75,000	1.8	7.3	13.0
Chukchi Province	11	Tertlary, Mesozoic & Possibly Older	70,000	1.89	132,576	50,000	6.6	5.0	33.0
Beaufort Prov.	1	Tertiary & Older	19,200	1.89	36,288	75,000	2.7	5.0	13.5
Subtotal			394,881		681,376		50.1		344.1
Total Speculative Petroleum Resources		2000	= = ===	103,0			76.1		439.6
Total Discovered but not Produced Resource	es						10.5		29.7
Total Comulative Production as of March 1973							.5		.6

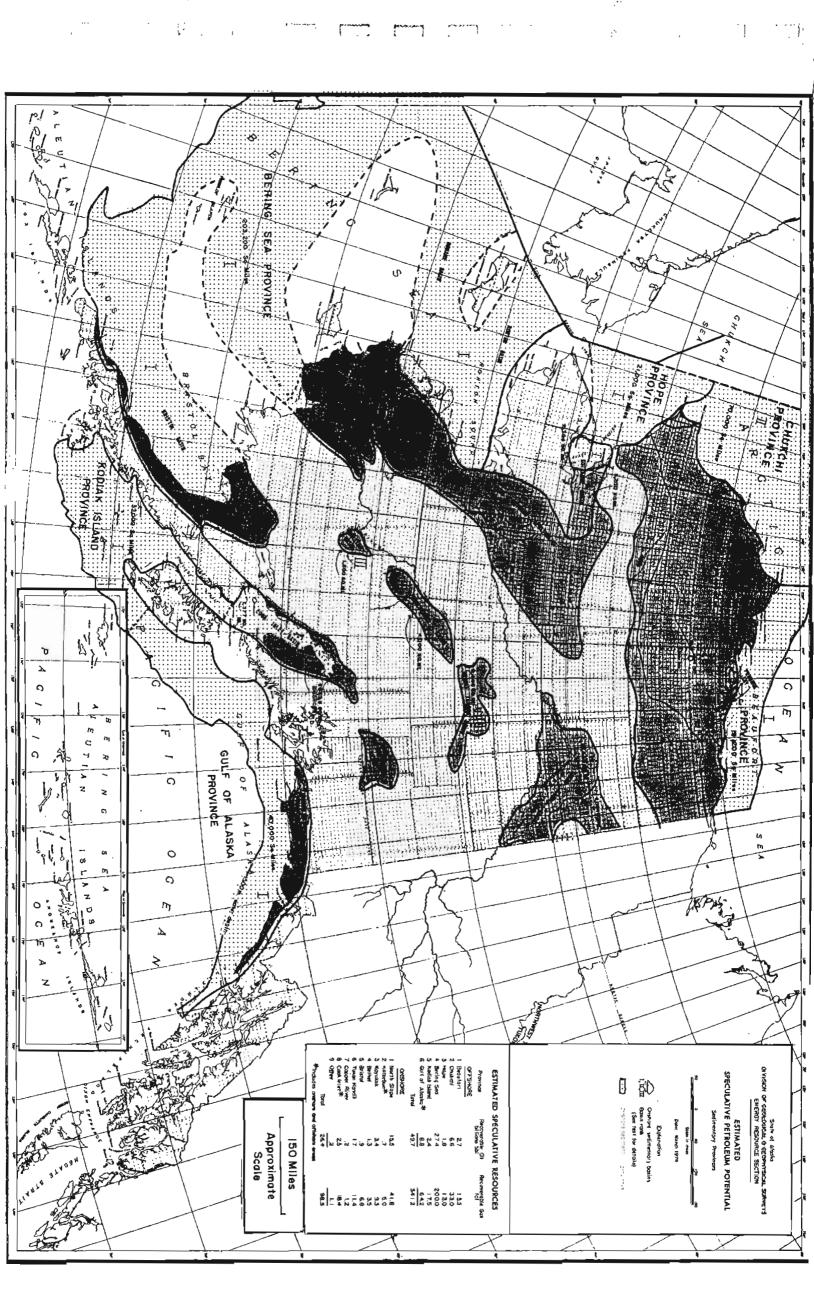
^{* -} Onshore portion only + - Offshore portion only











Part II

LAND RESOURCE EVALUATION

(AVAILABILITY OF OIL AND GAS IN ALASKA)

INTRODUCTION -- Part II

An attempt has been made to objectively evaluate the effect of previous and proposed public land withdrawals on the oil and gas potential land in Alaska, with respect to its ultimate use. Some of the lands are withdrawn under section 17(d) of ANCSA, and the proposal was made to classify them by the Secretary of the Interior in December of 1973. Some of the lands have been previously withdrawn.

Before oil production can take place in any specified area, the following conditions must be met: (1) The land must be made available for leasing so that private enterprise has the justification to begin exploring for oil; (2) The land must be leased and drilled to evaluate the economic potential of the area (a two- to five-year process); (3) If an economic field is discovered, the necessary engineering, transportation, and drilling procedures must be undertaken to bring the field to production (a three- to five-year process). This report is concerned only with step 1; that is when and how much of the oil and gas potential land in Alaska will be available and open for exploration. Presently approximately 96% of the onshore oil potential land in Alaska is unavailable for leasing, and even if all this land was to be made available immediately, it would be six to 10 years before any of the potential oil and gas could be used.

The following overlays indicate the total amount of prospective onshore oil and gas land which lie in the various pre-existing and proposed classifications of land in Alaska. The accompanying tables express the amount of land in each classification which lie within oil potential areas. This is expressed as a per cent of the total oil potential land in onshore Alaska. For example, it is estimated that the State contains 231,887 square miles of onshore oil potential land. Within this 231,887 square miles there are 34,146 square miles of proposed and pre-existing wildlife refuges; or 15% of the

total oil and gas potential land in Alaska. This is tabulated in Fig. 3 and shown on the accompanying map.

A summary of the present and estimated ultimate impact of existing and proposed public land withdrawals on oil and gas potential land is given in Figures 1 and 2. Due to the uncertainty of how the land will be finally classified, the summary diagram (Fig. 2) is based on statistical averages from the other overlays. For example, in the case of "Areas of Ecological Concern," one-third of the land was estimated to remain in Federal ownership and possibly be highly restricted or closed to oil development. The other two-thirds were assumed to have been selected by the Natives or the State. Also it is assumed that the same regulations will apply to the proposed land withdrawals that apply to existing withdrawals. For example, proposed refuges and monuments are considered closed to development because the Arctic National Wildlife Range and other wildlife refuges are effectively closed to development by regulations, stipulations, or restrictions.

The areas of D-2 withdrawals (Parks, Wildlife Refuges, etc.) were taken directly from the environmental impact statements furnished by the National Park Service. The land overlays for other than D-2 withdrawals were compiled from unofficial Federal sources. The State of Alaska does not recognize these overlays as official documents.

CONCLUSION -- Part II

1. The present impact of the public lands withdrawn under section 17(d) of ANCSA, coupled with previous Federal withdrawals virtually eliminate onshore oil development in Alaska. At the present time approximately 96% of the onshore oil potential land in Alaska is not leasable for oil development. This "freeze" has been in existence for five years and can continue indefinitely at the discretion of the

- Secretary of the Interior unless Congress specifically stipulates the land use policies of each area.
- 2. Private development of onshore petroleum resources is considered to be severely limited in the future. It is estimated that 42% of onshore oil potential land may be closed to private oil and gas development indefinitely due to previous and proposed Federal withdrawals, and another 35% may not be open for development for five to ten years. This represents 176,234 square miles of oil potential land (an area Two-thirds the size of the entire state of Texas). These estimates are summarized in Figure 2, and explained in Figures 3-6. The accompanying maps and overlays show the impact of the various Federal withdrawals on oil and gas potential land in Alaska.

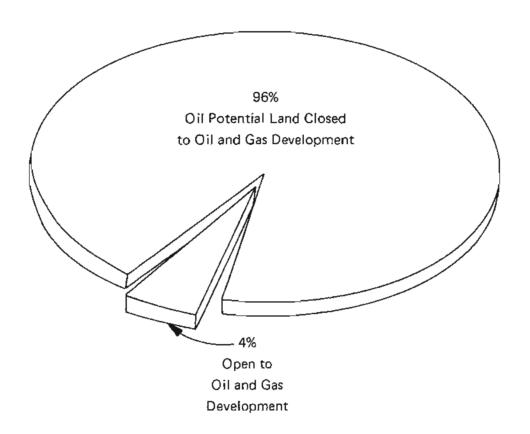
RECOMMENDATIONS

This report emphasizes the huge petroleum potential of Alaska. This resource should be developed in an orderly and conservative manner. If the present trend of Federal land administration continues in Alaska, its natural resource development will be chaotic.

IT IS RECOMMENDED THAT:

- Thorough and complete scientific inventory of all mineral resources be conducted on Federal lands;
- That a plan for the development of the resources under proper environmental guidelines be undertaken immediately;
- c. That the State of Alaska be allowed its right of selection on these potential lands enacted by Congress in the Statehood Act of 1958;

Figure 1
PRESENT IMPACT OF PREVIOUS AND PROPOSED PUBLIC LAND WITHDRAWALS
ON OIL AND GAS POTENTIAL LAND IN ALASKA (ONSHORE)



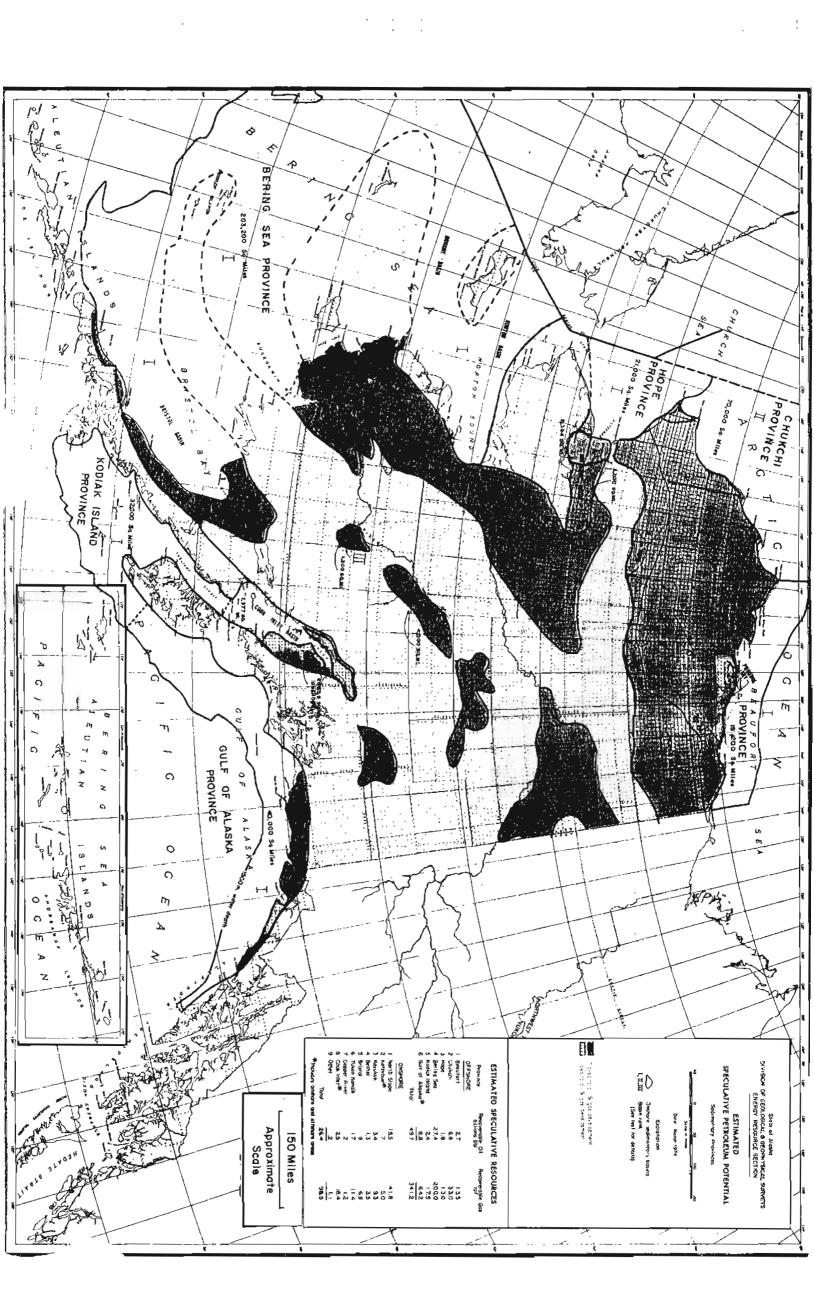
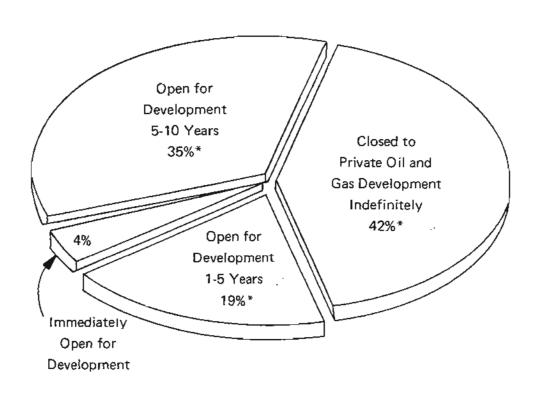


Figure 2
ESTIMATED ULTIMATE IMPACT OF PREVIOUS AND PROPOSED PUBLIC LAND WITHDRAWALS
ON OIL AND GAS POTENTIAL LAND (ONSHORE)



^{*} These are approximate average figures from the table.

Estimated Land Status	% of Total Oil Potential Land	Land Classification
Open for development:		
A. Immediately	4%	State land: National Forest land
B. Within 1-5 Years	6% to 41%	Native selections; future State selections
C. Within 5-10 Years	20% to 55%	D-1 larid; proposed Na- tional Forest land
Closed to development:		
A. Closed; but could be opened by Secretary of the Interior**	15%	Refuge and Monument
B. Highly restricted to no mineral entry	0% to 16%	Areas of Ecologic Concern
C. Closed to all mineral entry	21%***	Parks, NPR-4, utility corridors, etc.

^{**} Based on rules now in effect on Arctic National Wildlife Range and National Wildlife Refuges in Alaska.

^{*** 16%} of this figure is NPR-4 land.

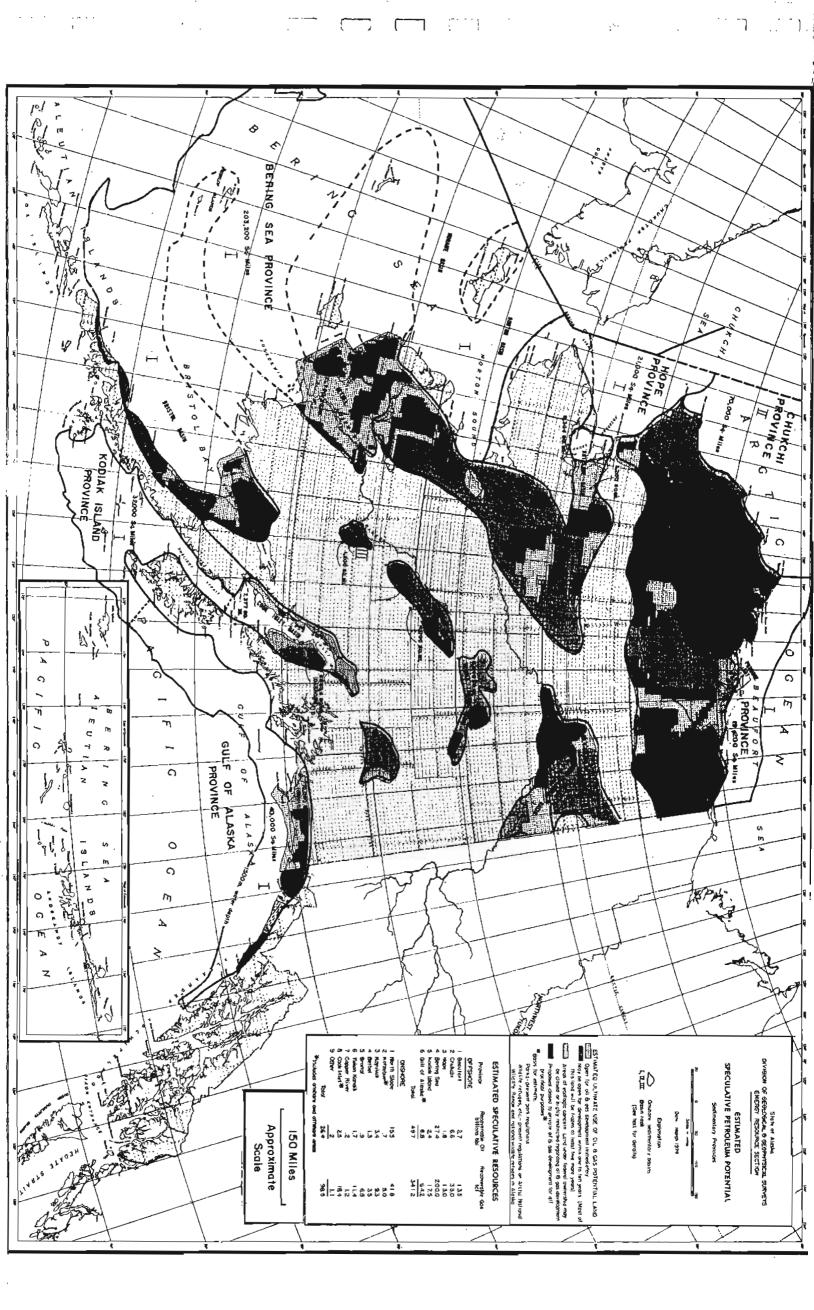
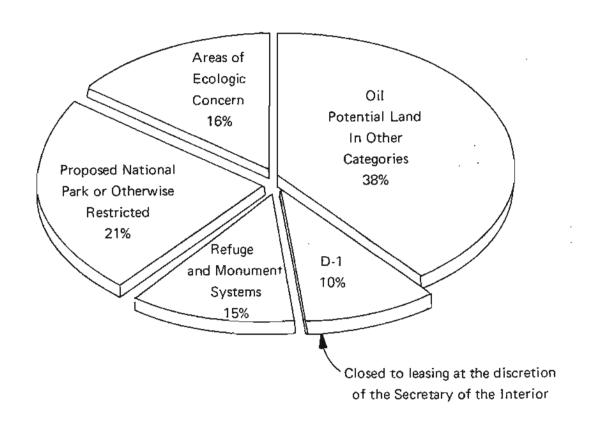


Figure 3
EFFECT OF LANDS OF HIGH ADVERSE IMPACT ON OIL AND GAS DEVELOPMENT



Land Category	Estimate of Proposed Land Use	% Resources In Land Category	Amount of Resource In Land Category (Sq. Mi.)
Proposed National Park or otherwise restricted	Closed to mineral entry	21*	48,900
Proposed and present refuge and monument systems	Old systems — develop- ment precluded by regula- tion New systems — closed to mineral entry by law. This will probably continue in- definitely.**	15	34,146
Proposed areas of Ecologic Concern	Those areas not selected by State or Natives; prob- ably highly restricted mineral entry	16***	36,576
D-1 land	Closed to non-metallic mineral staking or leasing from 5 to 10 years	10	22,130
<u> </u>	TOTAL	62	141,752

^{*} Includes NPR-4 which is 16% of this figure

^{**} Based on rules in effect Arctic National Wildlife Range and other refuges

^{***} This is if all this land remains in Federal ownership

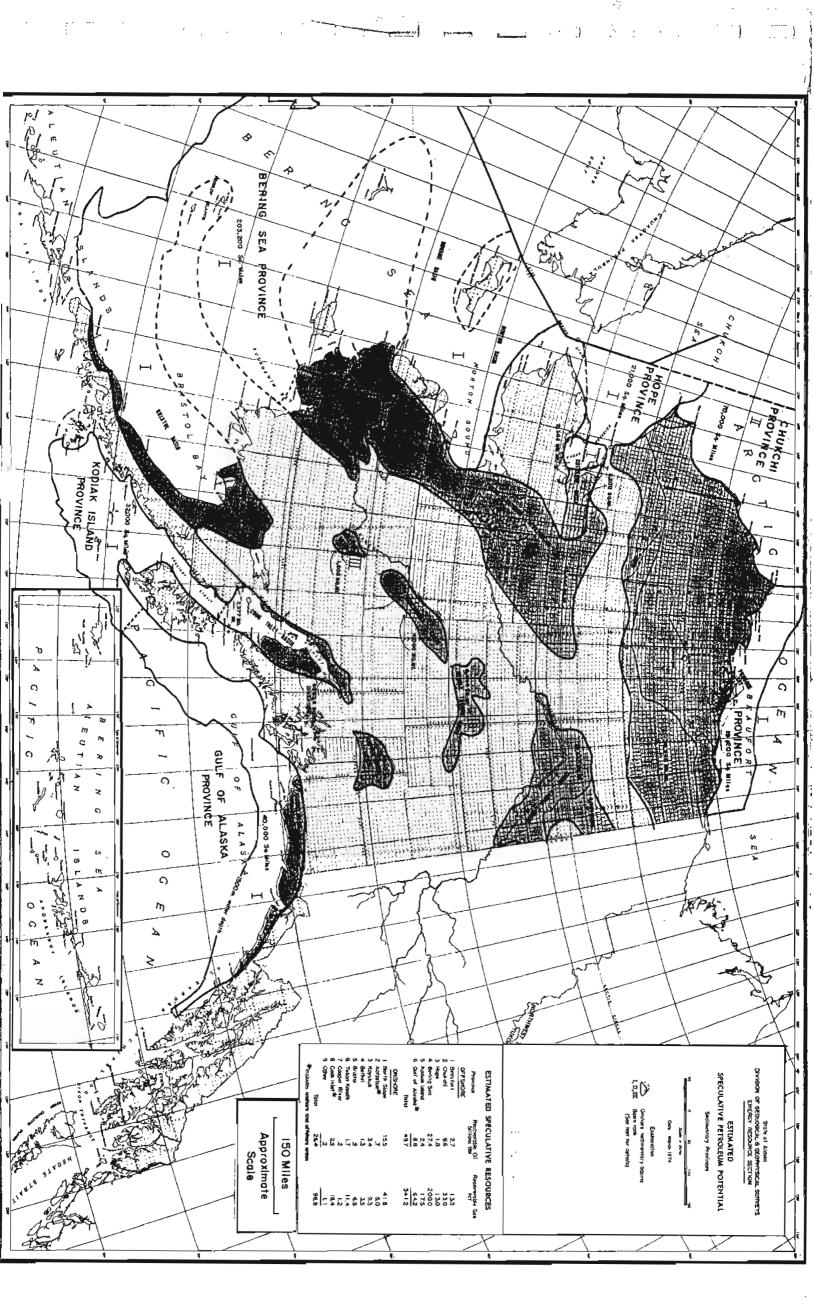
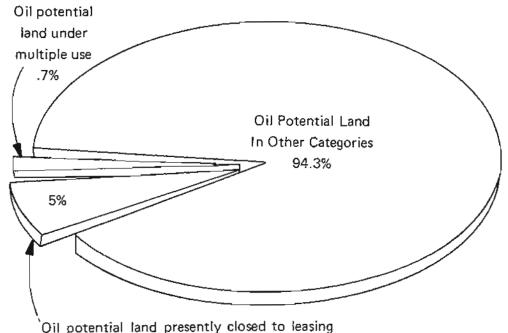


Figure 4
EFFECT OF MULTIPLE USE LANDS ON OIL AND GAS POTENTIAL AREAS



Land Category	Estimate of Proposed Land Use	% Resources In Land Category	Amount of Resource In Land Category (Sq. Mi.)
Present National Forest	Multiple Use	.7	1,692
Proposed National Forest	Presently closed to development. Multiple use 5 to 10 years?	5	10,584
TOTAL		5.7	12,276

Oil potential land presently closed to leasing but on approval of Congress may be multiple use at the discretion of the Secretary of the Interior

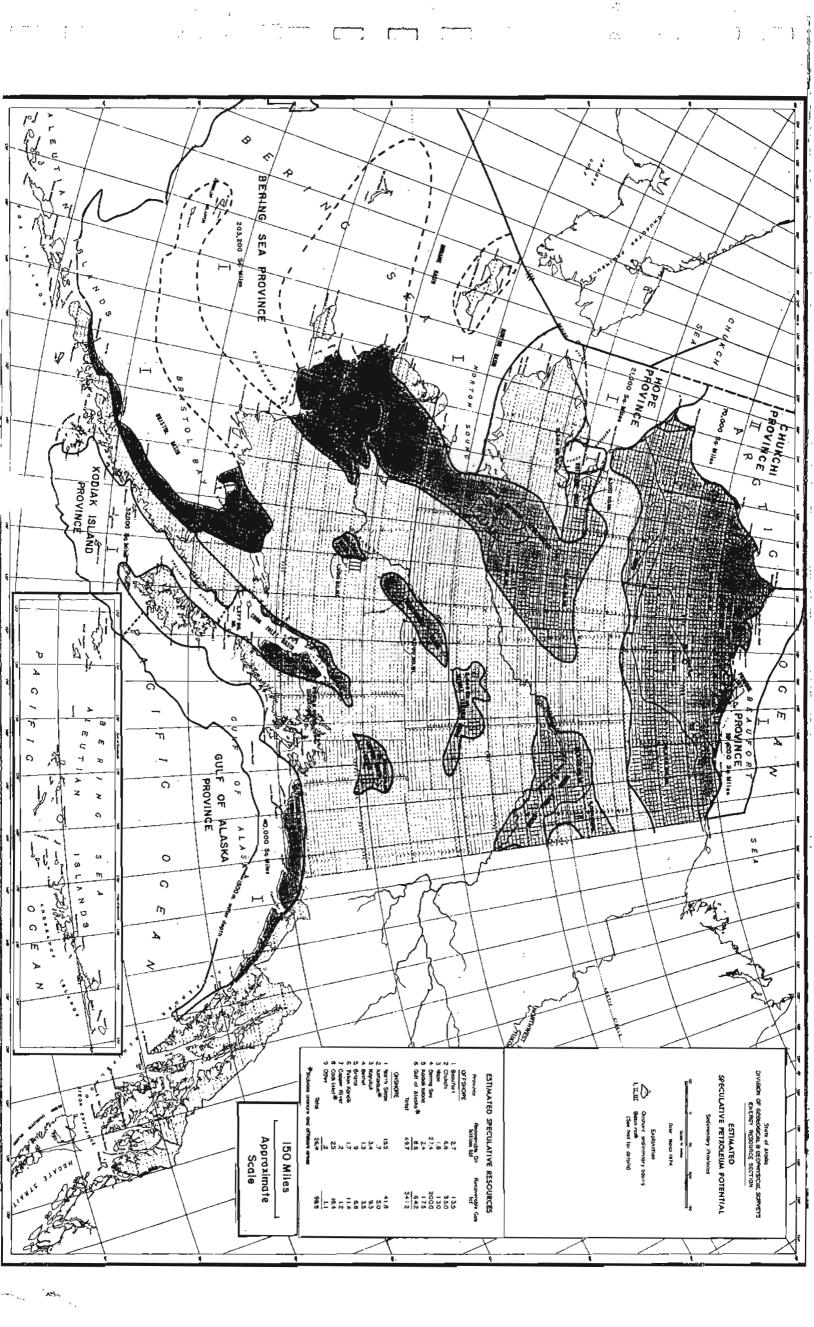
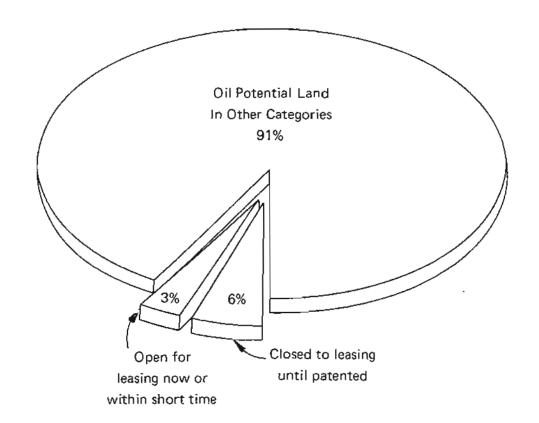
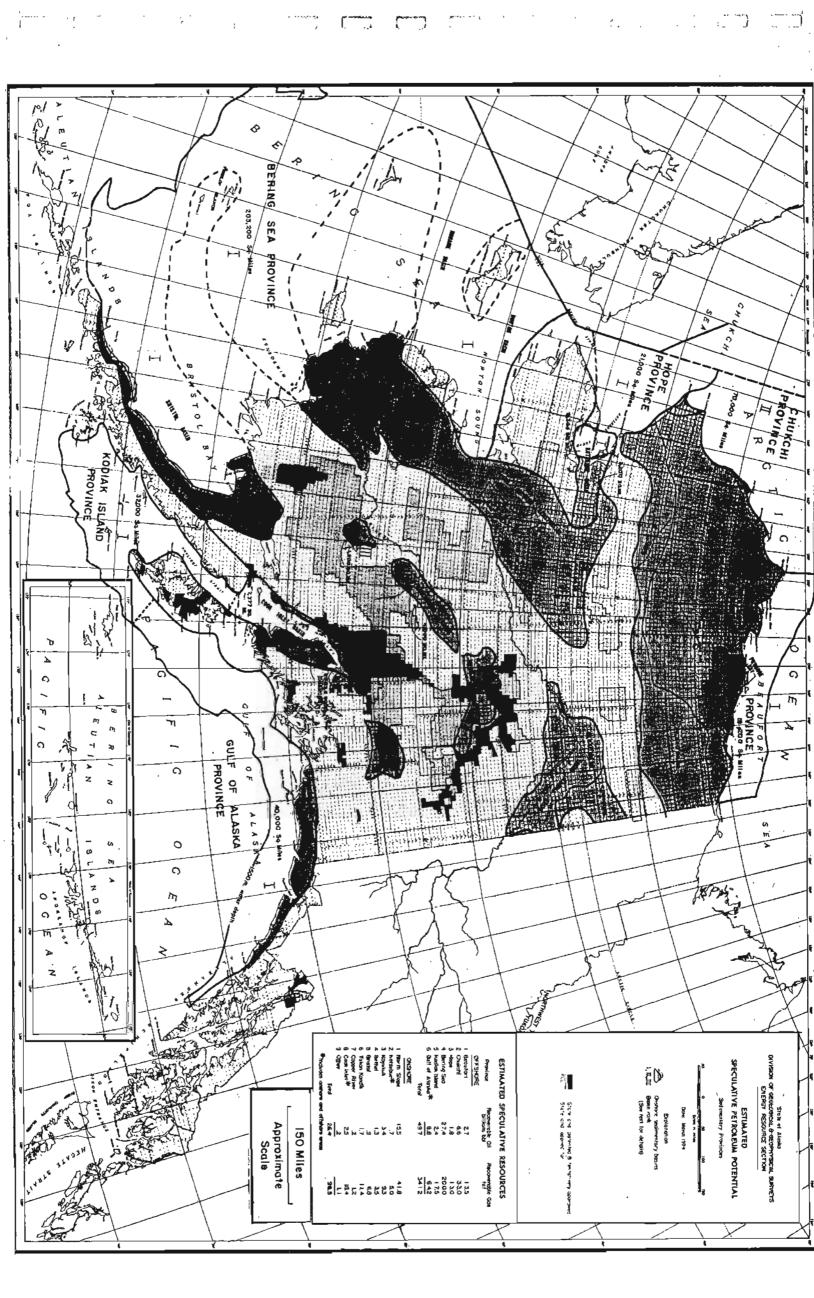


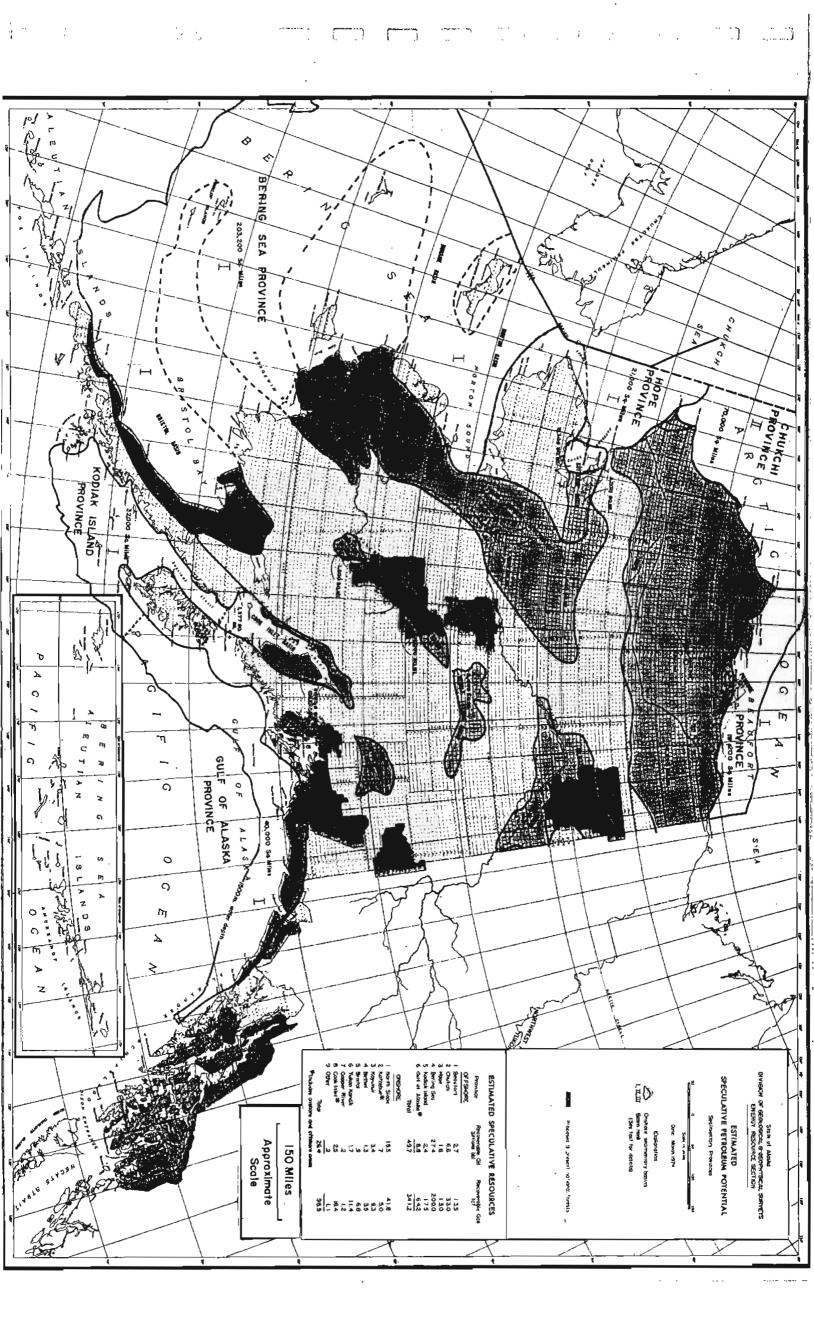
Figure 5
EFFECT OF STATE LAND ON OIL AND GAS POTENTIAL AREAS



Land Category	Estimate of Proposed Land Use	% Resource In Land Category	Amount of Resource In Land Category (Sq. Mi.)
Patented and Tentatively Approved	Patented-leasable Approved-leasable when patented	3	6,768
Land Applied For	Leasable when patented	6	13,428
	TOTAL	9	20,196



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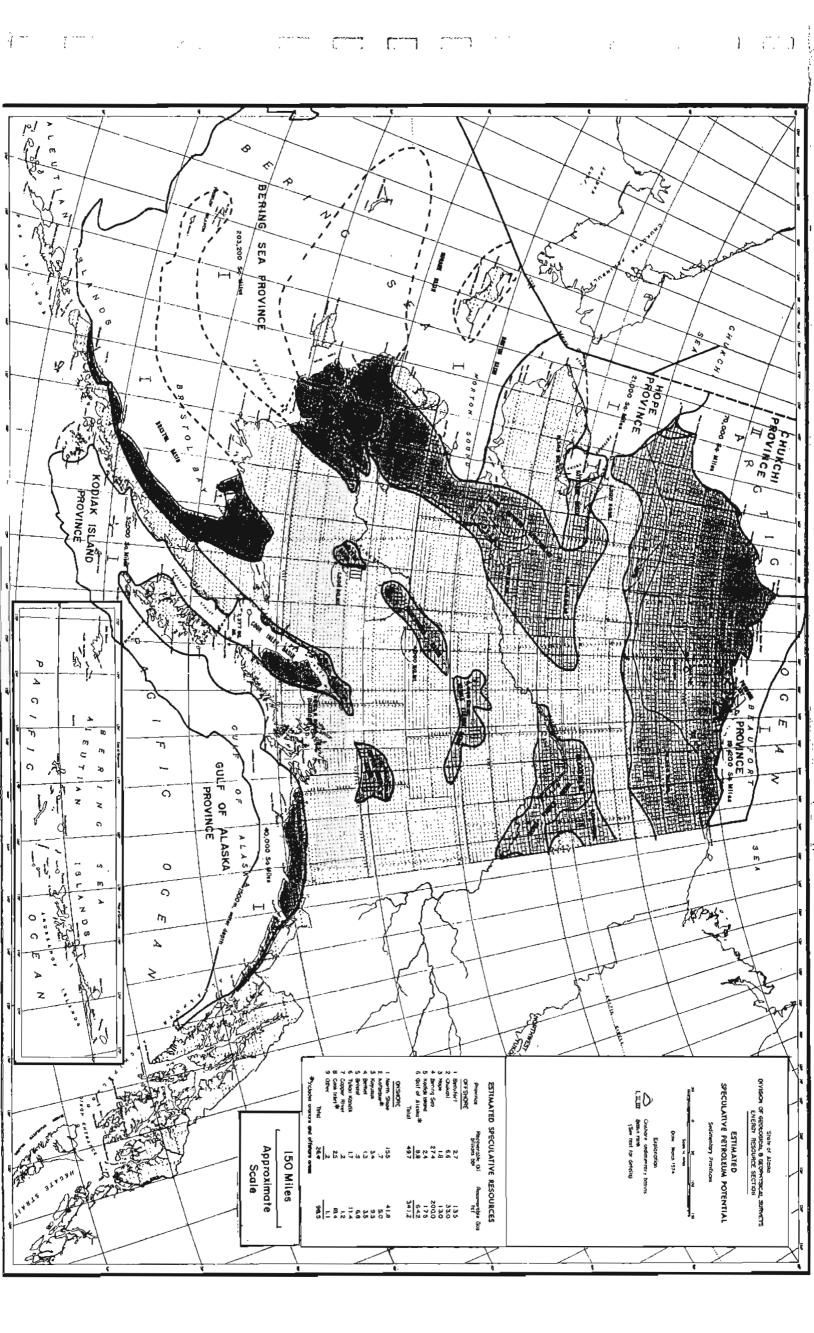
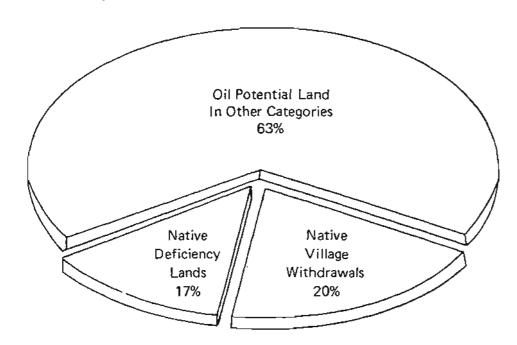
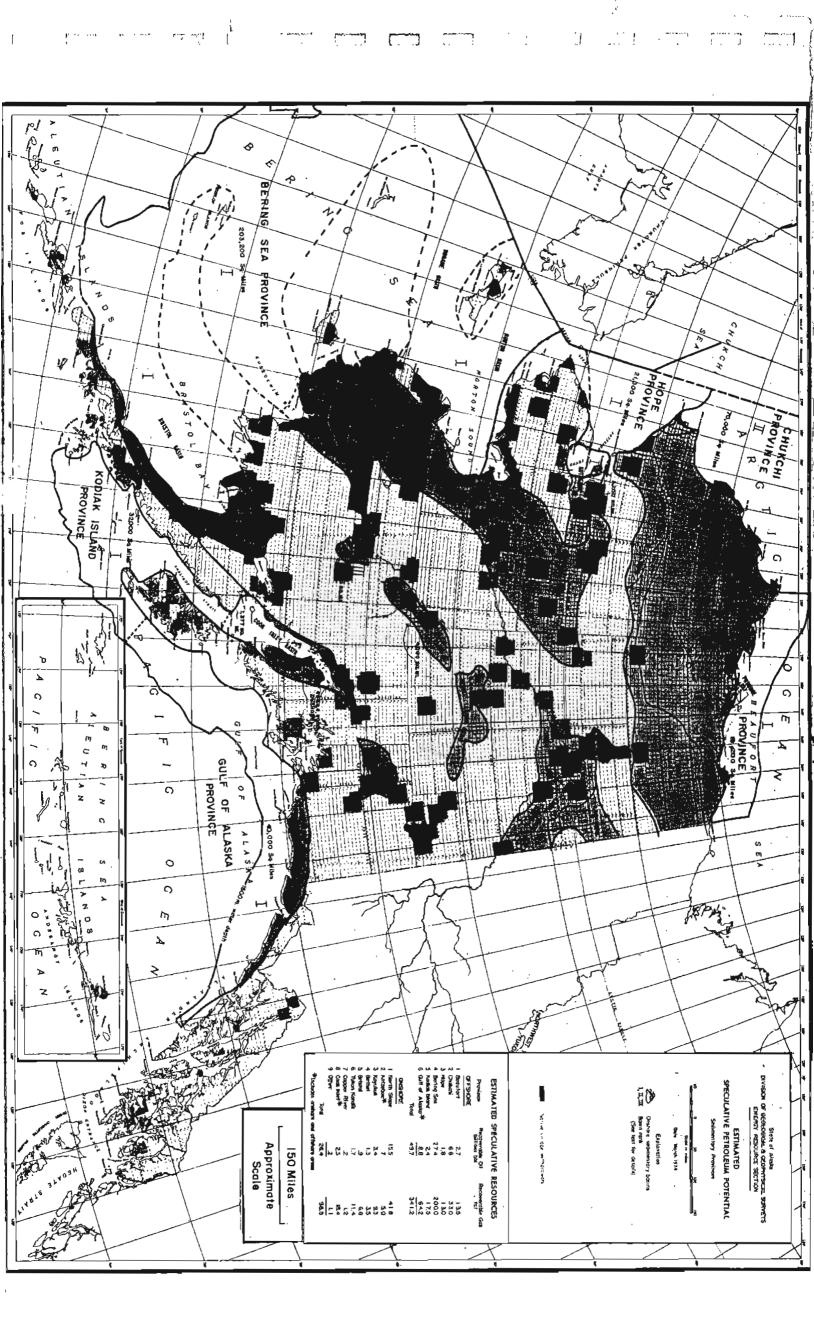


Figure 6
EFFECT OF NATIVE LANDS ON OIL AND GAS POTENTIAL AREAS

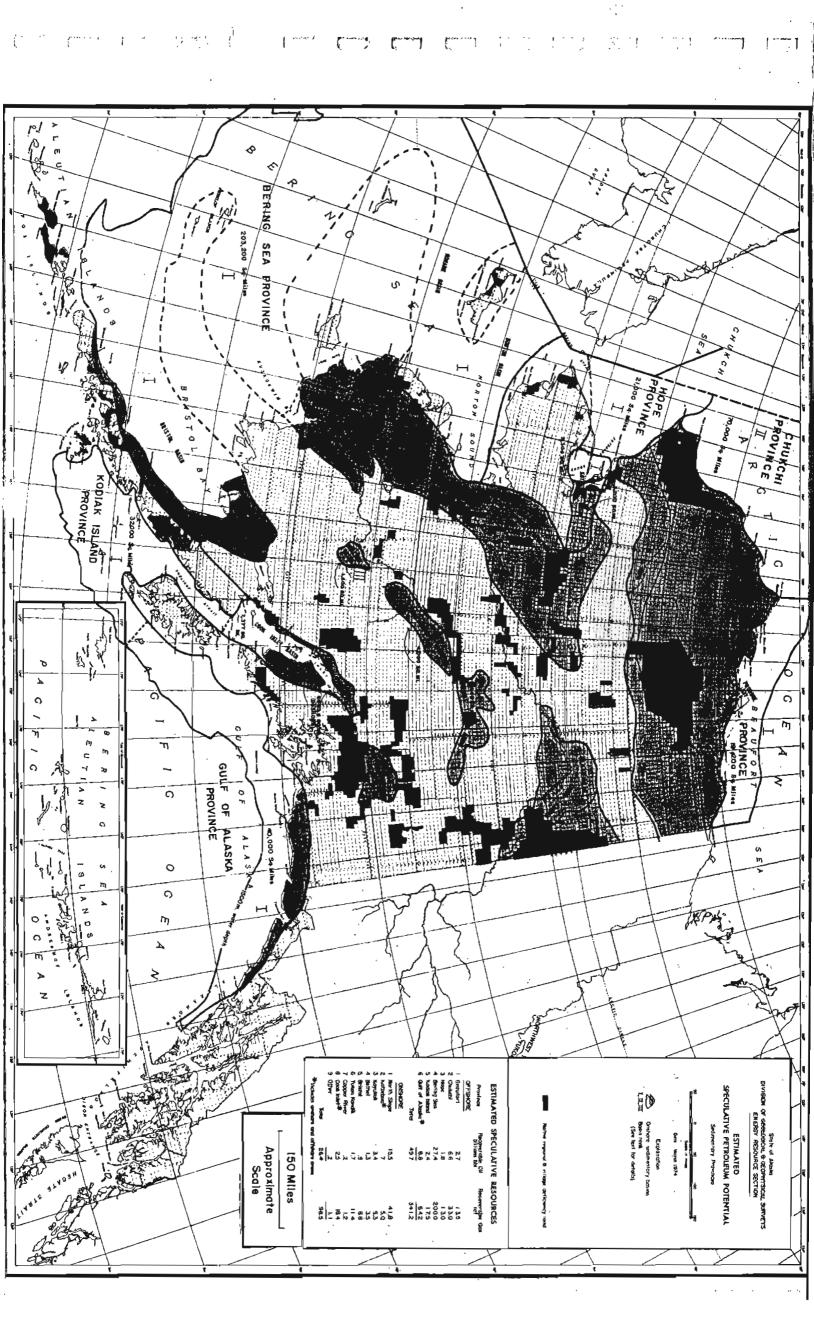
Conclusion: Up to 73% of oil potential land in native withdrawals may be owned by Natives. This would be 40 million acres or 62,500 square miles, the total amount that can be selected by the natives. This is 27% of all of the onshore oil potential lands in Alaska.

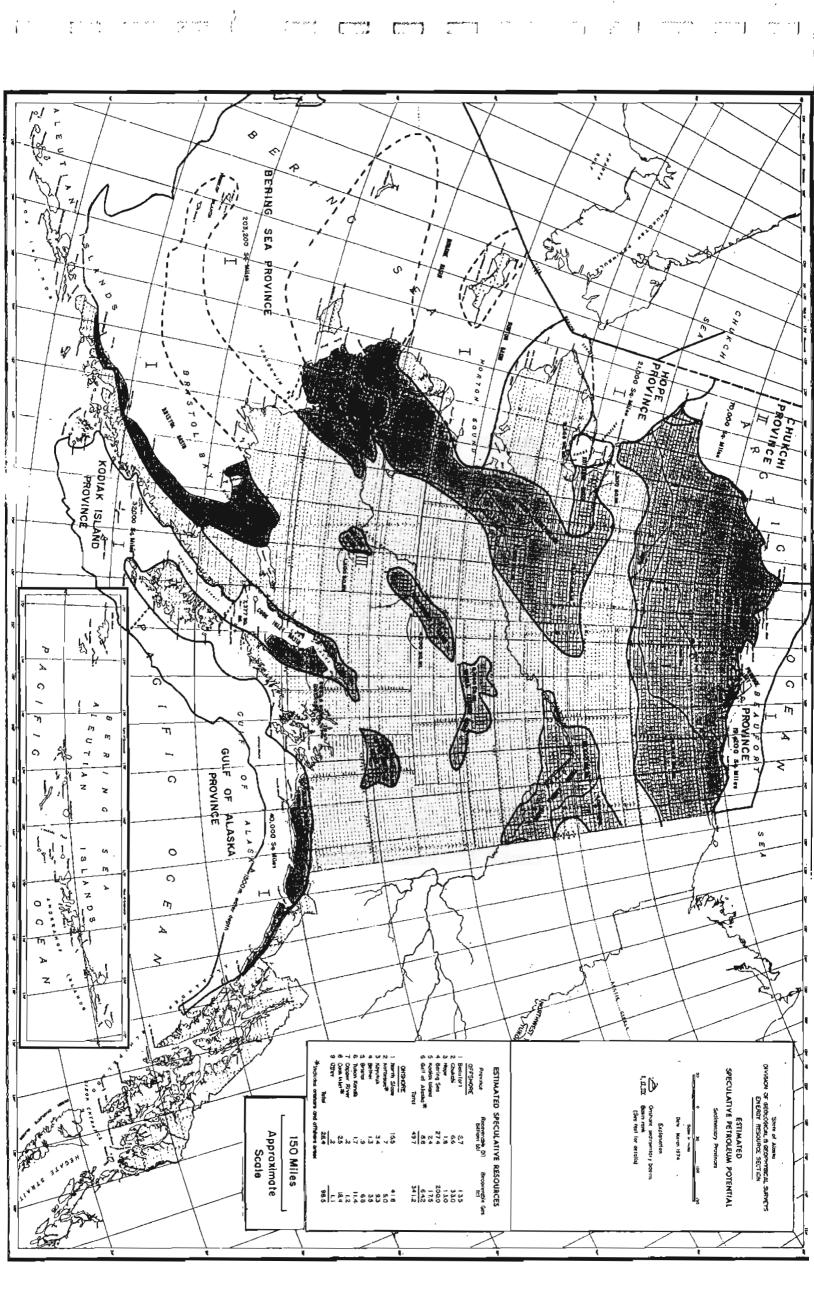


Land Category	Estimate of Proposed Land Use	% Resource In Land Category	Amount of Resource In Land Category (Sq. Mi.)
Regional and Village With- drawals	73% of this land may be selected by the natives, 27% to 100% may revert	17	39,822
Native Village Withdrawals	to D-1 status.	20	45,828
	37	85,650	









This report is one of the following series:

- I OIL AND GAS
- II COAL
- III URANIUM (SEDIMENTARY)
- IV GEOTHERMAL
- V MINERALS
- VI RESOURCE SUMMARY
- VII HYDROELECTRIC
- VIII OIL SHALE AND TAR SANDS
- IX GRAVEL AND BUILDING MATERIALS
- X SUMMARY

Reports I thru V are considered of highest priority and should be completed in 1974. The results of reports I thru V will be combined into a land resource evaluation summary. This summary will indicate priority lands for selection by the State of Alaska and show the relative resource potential of Alaskan lands.

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ENERGY & MINERAL RESOURCES OF ALASKA

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