



121 W. Fireweed Lane, Suite 207  
Anchorage, Alaska 99503-2035  
Phone: (907) 272-1481 Fax: (907) 279-8114  
Email: [moriarty@aoga.org](mailto:moriarty@aoga.org)  
*Kara Moriarty, President & CEO*

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Contact: Sarah Erkmann, (907) 272-1481 or [erkmann@aoga.org](mailto:erkmann@aoga.org)

**AOGA: Low oil prices, high uncertainty responsible for oil and gas industry pullback from the Arctic Offshore**

**ANCHORAGE** – May 10, 2016- The Alaska Oil and Gas Association’s (AOGA) President & CEO Kara Moriarty released the following statement today in response to major oil companies abandoning their Arctic offshore drilling rights:

“It’s sad but not surprising to see companies pulling back from Alaska’s Arctic offshore. Low oil prices combined with high uncertainty about federal regulations and restrictions makes a clear business case for companies to cut losses and move on to other parts of the world with more stable and predictable rules.”

Moriarty continued: “In this case, Alaska loses: the investment that was slated to come our way would have been staggering, with thousands of jobs, billions in revenues, and substantial oil volumes that would sustain the Trans Alaska Pipeline for decades. Now, with those hopes firmly on the back burner for the foreseeable future, we ask our state leaders to refocus their efforts on making sure the Alaska oil and gas industry is healthy and viable in the long-term, as most of our future oil production will need to be produced on State lands. In that case, the State of Alaska sets the policies that either encourage or discourage exploration and development, so it is up to lawmakers and the governor to articulate a vision of what the state’s oil industry will look like in the long-term, and pass laws and write policies that support those objectives.”

According to published reports, oil companies have, in total, abandoned 2.2 million acres of Arctic drilling rights, and 80 percent of all areas in the American Arctic leased in a 2008 sale.

AOGA is a professional trade association whose mission is to foster the long-term viability of the oil and gas industry in Alaska for the benefit of all Alaskans. More information about the organization can be found at [www.aoga.org](http://www.aoga.org), on Facebook (AlaskaOilAndGas), twitter (@AOGA), and Instagram (AlaskaOilAndGas).

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