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The Arctic and the Lessons of the Gulf

The Interior Department has been inching closer to approving Royal Dutch Shell's ambitious plans to drill for what are believed to be huge deposits of oil in the Arctic Ocean off Alaska. In August, it approved an exploratory drilling plan for the Beaufort Sea, and two weeks ago it upheld the validity of leases in the neighboring Chukchi Sea that had been challenged by environmental groups.

The Interior Department and Shell both insist that they have learned the lessons of the disastrous BP spill in the Gulf of Mexico. They must prove it. The Interior Department has written tough new regulations governing drilling, including requirements for subsea containment systems to plug a runaway well.

Before issuing final permits to drill, the government must insist that Shell test such a system and verify that it can operate in Arctic conditions. The company must also have on hand a rig capable of drilling a relief well, as well as the equipment — skimmers, booms and other equipment — to clean up any oil that escapes.

The stakes here are undeniably huge. Shell has already paid nearly $4 billion to acquire leases in the Beaufort and Chukchi Seas. Estimates of the recoverable reserves range as high as 30 billion barrels of oil, the equivalent of more than four years' worth of annual oil consumption in this country. The cost of a mistake would also be huge. Arctic waters provide nutrients for large fish populations, extensive habitat for wildlife and sustenance for native peoples.

The Arctic presents an extremely forbidding environment, with sea ice, howling winds and stormy conditions that will make drilling difficult and any cleanup far more complicated than it was in the warm and relatively benign waters of the gulf. Shell says it knows all this. It has agreed to drill only in warmer months and notes that these will be shallow wells, drilled at an average of 150 feet instead of 5,000 feet (the depth of the BP's Macondo well), making a blowout easier to reach and contain.

Yet much remains to be done. The containment system, for instance, is in what Shell calls the “fabrication” stage. The Interior Department obviously has to insist that this and other equipment actually exists.

A 2008 report by the United States Geological Survey produced a mean estimate of 90 billion barrels for the waters north of the Arctic Circle. Some of these waters are international, some belong to other nations like Russia. As global warming opens up sea lanes, the opportunities for drilling, shipping and commerce will grow. So, too, will the risks of grave environmental damage. Unless the United States makes smart decisions about drilling in American waters others are unlikely to do any better.