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Arctic Drilling Proposal Advanced Amid Concern

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A proposal to drill for oil in the Arctic Ocean as early as this summer received initial permits from the Minerals Management Service office in Alaska at the same time federal auditors were questioning the office about its environmental review process.

The approvals also came after many of the agency's most experienced scientists had left, frustrated that their concerns over environmental threats from drilling had been ignored.

Minerals Management has faced intense scrutiny in the weeks since the oil spill in the Gulf of Mexico. An article in The New York Times reported that it failed to get some environmental permits to approve drilling in the gulf and ignored objections from scientists to keep those projects on schedule.

Similar concerns are being raised about the agency's handling of a plan by Shell Oil to begin exploratory drilling in the Arctic's Beaufort and Chukchi Seas.

The Shell plan has stirred controversy for many years among environmentalists and advocates of the endangered bowhead whale, which is legally hunted in the area for subsistence by Alaska Natives.

Opponents have argued that an oil spill would be virtually impossible to contain, given the region's remoteness, its severe weather and ice and limited onshore support.

The investigation of the Minerals Management's Alaska office by the Government Accountability Office, completed in March, examined the environmental review process for proposed offshore leasing in southwest Alaska, which has since been canceled.

But it also raised questions about future leasing plans in the Beaufort and Chukchi at the time the agency was deciding whether to allow Shell to go forward on leases it had purchased. The Shell project received critical initial permits from Minerals Management last fall, though it still needs several final approvals.

The G.A.O. found that the Alaska branch deliberately avoided establishing consistent guidelines for determining whether future leases would cause significant environmental impacts in the Arctic — a finding that could require further examination and delay or prevent drilling.

It noted that Minerals Management had yet to complete a handbook for reviewing environmental issues that the Department of Interior, which oversees the agency, had asked it to write.

"When we talked to managers, the story was that, 'Well, we have the institutional knowledge — if you put things in the handbook, it gets outdated,' " said Mark Gaffigan, a director on the G.A.O.'s natural resources and environment team and the author of the report.

Yet when G.A.O. investigators interviewed many of the agency's environmental analysts in Alaska, Mr. Gaffigan said, "They felt there was a need. They wanted consistent ways for how the analysis was to be done."

The findings described in the G.A.O. report were echoed in interviews with current and former scientists and employees at the Alaska office of Minerals Management and bolstered by documents posted online by Public Employees for Environmental Responsibility.

All of those interviewed, including some who have found other government jobs, spoke on condition of anonymity out of fear of repercussions at work.

The lack of clear guidance in the environmental review process was exacerbated by high turnover among scientists at the agency, many of whom said in interviews that they left for other jobs because they had been pressured to rewrite their work or had it rewritten for them and that they were perceived as obstacles in the way of drilling. Managers, on the other hand, tended to stay.

"My impression was they had predetermined decisions and if you didn't get with the program you were sort of labeled and ostracized, really," said one former minerals agency scientist. "But if you went along with the program and didn't do anything to obstruct anything, they would treat you well, promote you, give cash awards."

A spokesman for the minerals agency said that "M.M.S. Alaska takes the G.A.O. report very seriously and in fact even before the final report came out, we began addressing issues it raised." He declined to discuss accusations by agency scientists that they faced pressure.

Even as the administration has begun a review of its offshore leasing program and temporarily halted new offshore drilling projects, Shell says it hopes to begin drilling this summer.

The company was buoyed last week, when a three-judge panel of the United States Court of Appeals for the Ninth Circuit rejected claims that Minerals Management's initial environmental review of the project was flawed.

Several people involved in the lawsuit noted that environmental reviews of an earlier version of the Shell plan approved by Minerals Management had been rejected by the court in 2008.

Since that earlier decision, the current and former employees said in interviews, instead of making environmental reviews more thorough and transparent, the Alaska office tightened control, limiting which scientists have access to information about threats and limiting discussions that can improve analysis. They said the tighter control limited documents through which the court could view the process.

"The development of these environmental assessments was done in secret," by inexperienced staff, a Minerals Management employee in Alaska said. The employee said that the process "was horrible, they ignore everything" and that drilling "would be a disaster for the bowhead and the Natives who take bowhead through subsistence."

The Ninth Circuit decision did not address questions raised by the gulf spill or in the G.A.O. report.

The G.A.O. report found the Alaska office's handling of information "is inconsistent with agency policy, which directs that information, including proprietary data from industry, be shared with all staff involved in environmental reviews. According to regional staff, this practice has hindered their ability to complete sound environmental analyses under NEPA," the National Environmental Policy Act.

A senior Interior Department official responded to the G.A.O. report in March, saying the "department generally agrees with your findings." The department said that it would publish a Web-based guidebook for conducting environmental reviews by the end of the year and that Minerals Management in Alaska would "ensure employees are provided with all information to effectively and efficiently perform their duties and responsibilities."

The Shell project still faces scrutiny by other agencies that have raised questions about Arctic drilling. In a letter to Minerals Management last September, Jane Lubchenco, the head of the National Oceanic and Atmospheric Administration, warned against leasing in the Arctic Sea.

Shell has vowed to implement aggressive efforts both to prevent a spill and contain one. Shortly after Interior Secretary Ken Salazar proposed reconfiguring the agency, John Goll, the head of the Alaska region, called an "all hands" meeting, according to a staff member there.

Afterward, people lingered to eat a cake decorated with the words, "Drill, Baby, Drill."