

Department of Natural Resources Division of Oil and Gas

February 7, 2001

Tony Knowles, Governor

550 WEST 7th AVENUE, SUITE 800 ANCHORAGE, ALASKA 99501

Phone: 269-8804

NOTICE OF SALE

STATE OF ALASKA

NORTH SLOPE FOOTHILLS AREAWIDE 2001 OIL AND GAS LEASE SALE

The Department of Natural Resources, Division of Oil and Gas (DO&G), notices under AS 38.05.945(a)(4), that it will offer state-owned lands for lease in the North Slope Foothills Areawide 2001 Oil and Gas Lease Sale. The sale will be held in Anchorage at the Loussac Public Library's Wilda Marston Theatre at 8:30 a.m., May 9, 2001. The sale area covers approximately 7.8 million acres lying between the Arctic National Wildlife Refuge and the National Petroleum Reserve-Alaska, south of the Umiat Meridian Baseline to the Gates of the Arctic National Park and Preserve. The sale area, which is entirely within the North Slope Borough, has been divided into 1,384 tracts ranging in gross area from 1,280 to 5,760 acres. Activities resulting from this sale may affect the cities of Anaktuvuk Pass, Barrow, Nuiqsut, and Kaktovik, and the community of Deadhorse.

The exact amount of the net leaseable acreage in each tract will not be determined until after the bids are received. At that time DO&G will complete a comprehensive evaluation of the lands within the tracts that received bids. Acreage not owned by the state, already subject to an oil and gas lease, or clouded by title claims will be excluded from the lease.

Tract Map

DO&G has prepared official tract maps which display the location of all tracts within the sale area and identifies unleased acreage that may be available for lease. These maps are a graphical representation only, source documents remain the official record. Potential bidders are advised that they are solely responsible for determining the availability and leasability of any acreage prior to the submission of any bid.

Sale Terms

Bidding for the sale will be a cash bonus with a minimum bid of five dollars (\$5) per acre on all tracts. Leases will have a fixed royalty rate of twelve and one half percent (12.5%) and will have a lease term of ten (10) years.

Best Interest Finding and ACMP Consistency Determination

In support of this lease sale, the director of DO&G has prepared a written final finding and decision under AS 38.05.035(e) and (g), which sets forth the facts, policies, and applicable laws upon which he has based his determination that this sale will best serve the interests of the state. In addition, a final coastal zone consistency determination has been made that this sale is consistent with the Alaska, and North Slope Borough's Coastal Management Programs (ACMP) under AS 46.40.

This Best Interest Finding is a final administrative decision of the department. A person who is aggrieved by this finding or the division's responses to comments may request the commissioner to reconsider the decision under AS 38.05.035(i) and (j). To be eligible an appellant must have meaningfully participated in the process to develop the finding by either submitting written comments during the prescribed comment periods, or by presenting oral testimony at a public hearing regarding the sale. A request for reconsideration must be received by Pat Pourchot, Commissioner, Department of Natural Resources, in Suite 1400 of the Atwood Building, located at 550 W. 7th Ave., in Anchorage, Alaska 99501, or received by fax at (907) 269-8918 by **5:00 p.m. (ADT), <u>February 27, 2001</u>. If the commissioner fails to act on the request for reconsideration by <u>March 9, 2001</u>, the request is considered denied.**

A denial of a request for reconsideration is the final administrative decision for purposes of appeal to Superior Court. A person may appeal the best interest finding received to the Superior Court only if the person was eligible to request, and did request, an administrative reconsideration of the finding by the commissioner. An appellant must initiate an appeal to the Superior Court within 30 days from the date of denial of that reconsideration or from the date of distribution of the denial decision, in accordance with the rules of court and to the extent permitted by applicable law.

Sale Information

Copies of the final finding are available at the following locations: Nuiqsut Public Library, North Slope Borough Library Media Center, North Slope Borough offices, Tuzzy Consortium Library in Barrow, City of Barrow Municipal Offices, Anaktuvuk Pass Mayor's office, Kaveolook School Library in Kaktovik and Loussac Public Library in Anchorage.

Complete details regarding North Slope Foothills Areawide 2001 including the following documents are on the DO&G's Webpage at: http://www.dog.dnr.state.ak.us/oil:

-Sale Announcement w/Mitigation Measures,

-Instructions to Bidders and Attachment A (Estimated acreage figures) and Bid form,

-Final Finding

-Tract maps

Paper copies of these documents, as well as other information, are available by phoning during regular office hours or writing, DO&G 550 West 7th Avenue, Suite 800, Anchorage, Alaska 99501, Attn: Suzanne Gaguzis, (907) 269-8803.

Copies of the official Tract Maps for North Slope Foothills Areawide 2001 may be obtained in the following manners:

For a free printed version:

Contact: Suzanne Gaguzis Division of Oil and Gas 550 West 7th Avenue, Suite 800; Anchorage, AK. 99501, Phone: 269-8803, email at <u>msg@dnr.state.ak.us.</u>,

For a CD-ROM;

Contact: Carrie Marvel Division of Support Services Land Record Information Section 550 West 7th Avenue, Suite 706 Anchorage, AK 99501 Phone: 269-8833, email at <u>gispubac@dnr.state.ak.us.</u>,

The CD also contains a copy of the Final Finding, and the Instructions to Bidders which includes "Attachment A" (estimated acreage for each tract). The cost for each CD version of the tract Map is \$50.00, plus \$3.50 for postage. Please make checks payable to: Department of Revenue, State of Alaska. DO&G will include a free copy of Adobe Reader v3.01 for PCs and MACs on the CD to assist in the viewing of the PDF (plot file) format.

The State of Alaska, DNR, DO&G complies with Title II of the Americans with Disabilities Act 1990. This Publication will be made available in alternative communication formats upon request. Please contact Suzanne Gaguzis at (907) 269-8803 to make any necessary arrangements.

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Mark D. Myers, Director