

# STATE OF ALASKA

*Tony Knowles, Governor*

Department of Natural Resources

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Division of Oil and Gas

April 1, 2002

Phone: 269-8804

SUPPLEMENT  
TO  
SALE ANNOUNCEMENT

STATE OF ALASKA

NORTH SLOPE FOOTHILLS AREA WIDE 2002  
COOK INLET AREA WIDE 2002  
COMPETITIVE OIL AND GAS LEASE SALES

The Department of Natural Resources, Division of Oil and Gas, gave notice on January 31, 2002, under AS 38.05.945(a)(4), that it would offer lands for competitive oil and gas leasing in North Slope Foothills Areawide 2002 and Cook Inlet Areawide 2002 Oil and Gas Lease Sales. The lease sales are scheduled to be held at 8:30 a.m., on May 1, 2002, in the Wilda Marston Theater, in the Loussac Public Library, 3600 Denali Street, in Anchorage.

This supplemental notice is being sent to all prospective bidders to inform them of a change to the lease form that will be used when leases are awarded to successful high bidders from these sales. The lease form will have a revised paragraph 36(b). Specifically, the original paragraph 36(b)

If oil, gas, or associated substances are sold away from the leased or unit area, the term "field price" in subparagraph (a) above will be the cash value of all consideration received by the lessee or other producer from the purchaser of the oil, gas, or associated substances, less the reasonable costs of transportation away from the leased or unit area to the point of sale. The "reasonable costs of transportation" are as defined in 11 AAC 83.228 and 11 AAC 83.229 as those regulations exist on the effective date of this lease.

will be revised to read

If oil, gas, or associated substances are sold away from the leased or unit area, the term "field price" in subparagraph (a) above will be the cash value of all consideration received by the lessee or other producer from the purchaser of the oil, gas, or associated substances, less the **lessee's actual and reasonable costs of transportation** away from the leased or unit area to the point of sale. **The "actual and reasonable costs of transportation" for marine transportation are as defined in 11 AAC 83.229(a), (b)(2), and (c) - (l).**

The new lease form will be Competitive Oil and Gas Lease Form #DOG 200204.