



Alaska Department of Natural Resources Division of Oil & Gas



LEASING SECTION

Managing Alaska's Oil and Gas Resources – from Lease Sale Approval to Lease Closure – in Concert with all Division Sections

OVERVIEW

Leasing is one of the first steps in developing the state's oil and gas resources. The Alaska Constitution lays the foundation for this process stating it is the policy of the state to encourage the development of its resources by making them available for maximum use consistent with the public interest.

Managing oil and gas resources means determining who, where, when, and how those resources will be used while ensuring consistency with the state's best interest.

The Division of Oil and Gas conducts a program of regularly scheduled competitive oil and gas lease sales on state lands. A new five-year oil and gas leasing program is issued each January which outlines a stable and predictable schedule of proposed lease sales.



LEGAL REFERENCES

Alaska Constitution, Article VIII, § 8 & §12
AS 38.05.035(e) – Best interest findings for oil and gas leasing
AS 38.05.035(g) – Best interest finding considerations
AS 38.05.180 – Oil and gas leasing
11 AAC Chapter 82 – Mineral Leasing Procedures
11 AAC Chapter 83 – Oil and Gas Leasing

STEPS TO OIL AND GAS LEASING

- **Determine if leasing is in the state's best interest**
- **Issue a written finding that approves holding lease sales (valid for 10 years)**
 - Public notice & opportunity for comment
- Issue annual updates
 - Public notice & opportunity for comment
- **Hold competitive oil and gas lease sales**
 - Set lease sale terms and conditions
 - Accept and open competitive bids
 - Public notice & public welcome to attend
- **Issue leases**
- **Ensure lease terms are met**
 - Collect rent
 - Protect state's interest if lease ownership changes
 - Approve or deny lease extensions
 - Expire, terminate, and close leases
- **Ensure public land records are current and accurate**

FOR MORE INFORMATION

Contact 907-269-8800

<http://dog.dnr.alaska.gov/Leasing/LeasingHome.htm>