



Application For Rental Reduction

Leasing Section, Division of Oil & Gas
Alaska Department of Natural Resources
550 W 7th Avenue, Suite 1100
Anchorage, Alaska 99501-3563



Phone: 907-269-8800 Email: dog.leasing@alaska.gov

- ✓ Use this application if you are requesting a decrease in rental as identified in Paragraph 5 of the following lease forms: *DOG 201112, DOG 201112AS, DOG 201208W, DOG 201208W AS, DOG 201308W, DOG 201308W AS, DOG 201503W AS, DOG 201503W AS, DOG 201509W.*
- ✓ Please contact the Leasing Section if sustained production has commenced on a lease.
- ✓ Rental reduction will be considered on a lease-by-lease basis, but this application may be used to apply for relief on multiple leases at once.
- ✓ When using this application for multiple leases, the leases must all have the same effective date, primary term, and rental rate structure. Use Section 4 as needed.
- ✓ Rental reduction applications will be accepted no earlier than one year before the lease anniversary date where the rental rate increases above \$10.00 per acre per year.
- ✓ This application must be submitted at least 90 days prior to the lease anniversary date where the rental rate increases above \$10.00 per acre per year (11 AAC 82.466).
- ✓ If a decision to grant a reduction in rental has not been made by the date the annual rental is due, it is the responsibility of the lessee to timely pay rentals according to the schedule of the lease agreement. If rental reduction is granted, the overpaid balance will be refunded.
- ✓ To be considered for a reduction in rent, the Commissioner will consider:
 - The funds expended by the lessee to explore and develop the lease(s).
 - The types of work completed by or on behalf of the lessee
- ✓ If rental reduction is approved, the rental rate will be \$10.00 per acre per year.
- ✓ If the rental rate has not been previously reduced to \$10.00 per acre per year, rental reduction may be applied for annually.
- ✓ You may mail the application to the above mailing address or email it with scanned signature page to the above email address.

Document Submission Information (submit the following to DNR)

- ✓ Cover Letter (optional)
- ✓ Sections 1-3 are required. Use Section 4 as needed for additional leases.
- ✓ A \$500 filing fee is required for application of rental relief of each lease. If multiple leases are included in the application, a separate filing fee is required for each. Fees may be paid by including a check or money order made payable to the Department of Natural Resources (11 AAC 05.110(d)(3)(I)).



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Section 1 – Lessee Information

- ✓ List the current notification lessee and qualification information for the lease(s), including the qualification file number. Individuals qualified to hold an oil and gas, gas only, or geothermal lease are not assigned qualification file numbers. Please see the Entity and Individual Qualification forms on DO&G's webpage for questions regarding qualifications.
- ✓ Ensure that only persons who are authorized to sign on behalf of the lessee(s) sign the application.
- ✓ Information must match that in the Division's qualification files. Qualification reports to verify and/or obtain the address on file may be obtained from DO&G's website.

Notification Lessee Name			
Address			
Address			
City	State	Zip	Phone #
Lessee Qualification File Number:		E-mail	
Company Representative Name (Signed)			Date
Company Representative Name (Printed)			Title

SECTION 2 – Lease Information

Lease ADL Number: (use Section 4 for multiple ADLs)	Effective Date of Lease(s):	Primary Term of Lease(s):
Current Rental Structure		
Years 1 - 6:	Rate:	per acre
Year 7:	Rate:	per acre
Year 8:	Rate:	per acre
Year 9:	Rate:	per acre
Year 10:	Rate:	per acre



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SECTION 3 - Work and Expenditures Claims

Instructions

- ✓ List in detail the type of work or actions completed or undertaken to date, and the funds expended to ***explore and develop the lease(s)***. Please be as specific as possible.
- ✓ Do not include costs such as lease rentals, bonus bids, and other administrative costs of acquiring and holding the lease(s) that are not directly associated with ***exploring and developing the lease(s)***.
- ✓ You may include work completed by or on behalf of the lessee on the lease(s).
- ✓ Attach sufficient documentation of expenditures to show that the work has been completed or undertaken.
- ✓ Clearly mark as confidential any information that is being requested to be kept confidential under AS 38.05.035(a)(8).
- ✓ For each work item, indicate if data were collected and if data have been submitted to DO&G.
- ✓ Attach additional sheets if necessary to fully describe previous work on this lease.

Type of work or action	Expenditures (\$) made for this work or action	Date work or action commenced	Date work or action completed	List corresponding Plan of Operations, MLUP, or other authorization	Data collected Yes/No	Data submitted to DNR Yes/No
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						
Total dollar amount expended to <i>Explore and develop</i> the lease(s).	\$					



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SECTION 4 – Additional Leases

Instructions

- ✓ List **all** leases that are part of the Application for Rental Reduction, where all leases have the same effective date, primary term, and rental rate structure.
- ✓ Attach additional sheets if necessary to fully describe previous work on this lease.

Lease ADL	Lease ADL
1.	16.
2.	17.
3.	18.
4.	19.
5.	20.
6.	21.
7.	22.
8.	23.
9.	24.
10.	25.
11.	26.
12.	27.
13.	28.
14.	29.
15.	30.