



# MEDIA RELEASE

## Alaska Department Of Natural Resources

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**DIVISION OF:**      Oil and Gas      **CONTACT:**      Kevin Banks  
**RELEASE DATE:**      December 26, 2001      **PHONE:**      (907) 269-8781  
**SUBJECT:**      Solicitation for Offers to Purchase Alaska North Slope Royalty Gas

### FOR IMMEDIATE RELEASE

Following a public comment period and a public hearing, the commissioner of Natural Resources announced that he will accept offers to purchase Alaska North Slope royalty gas. Royalty gas is the share of total gas production owned by the state. Although the state usually receives cash from the oil and gas lessees for its royalty share, the state has the option of taking its royalty in-kind and selling it itself. Depending on the outcome of the competitive sale process, the commissioner may sell some of the state's royalty gas that would be produced if a North Slope gas pipeline is built.

The rising interest in a gas pipeline project among the North Slope producers and others, coupled with the possibility of an open season for nomination of pipeline capacity as early as 2002, have created interest in purchasing state royalty gas. The open season is a request from the pipeline sponsors to potential gas shippers to make a firm commitment to ship gas on the pipeline.

Potential buyers are invited to submit proposals to the State. The State has issued a "Solicitation for Offers to Purchase Alaska North Slope Royalty Gas." Offers must be received at the address below no later than **January 31, 2002**. All offers received by the deadline will be opened and announced at a public meeting scheduled on February 1, 2002 at 8:30 am in Room 240 of the Robert B. Atwood Building, 550 West Seventh Avenue, Anchorage, Alaska.

Copies of the Final Finding and the Solicitation for Offers to Purchase Alaska North Slope Gas are available at DNR, 550 West Seventh Avenue, Suite 800, Anchorage, Alaska 99501-3560, or by contacting Kevin Banks at (907) 269-8781 or via e-mail: [krb@dnr.state.ak.us](mailto:krb@dnr.state.ak.us). The Final Finding and Solicitation for Offers to Purchase Alaska North Slope Royalty Gas may also be downloaded from the Department's Website at <http://www.dnr.state.ak.us/pic>

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