

**STATE OF ALASKA
FIVE-YEAR OIL AND GAS LEASING PROGRAM**

2003 through 2007

<u>Sale</u>	<u>Annually Held In</u>
North Slope Foothills Areawide	May
Cook Inlet Areawide	May
North Slope Areawide	October
Beaufort Sea Areawide	October

ALASKA OIL AND GAS LEASING PROGRAM





ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

MARK MYERS, DIRECTOR

2003-2007

North Slope Sales

	North Slope Sales
	Foothills Areawide
	Areawide

May
Oct

Beaufort Sea Sales

	Beaufort Sea Sales
	Areawide

Oct

Cook Inlet Sales

	Cook Inlet Sales
	Areawide

May

0 100 200 MILES

Base Map: Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 154°, origin latitude of 50°, northern parallel of 65°, southern parallel of 55°. This map is for informational purposes only. Jan. '03

FIVE-YEAR OIL AND GAS LEASING PROGRAM PUBLIC NOTIFICATION SCHEDULE



Proposed Sale Area & Date	2003												2004												2005												2006												2007																											
	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D																
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Cook Inlet Areawide 2003 May	F	S				S																																																																						
North Slope Areawide 2003 Oct	C	E					F	S		S																																																																		
Beaufort Sea Areawide 2003 Oct	C	E					F	S		S																																																																		
North Slope Foothills Areawide 2004 May								C	E		F	S		S																																																														
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North Slope Areawide 2004 Oct								C	E		F	S		S																																																														
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Cook Inlet Areawide 2007 May	A																				C	E		F	S		S																																																	
North Slope Areawide 2007 Oct	A																					C	E		F	S		S																																																
Beaufort Sea Areawide 2007 Oct	A																					C	E		F	S		S																																																

A = Sale Added to Schedule.

C = Call for Comments:
Request for New Information Made Available Since Last Finding.

E = End of Comment Period.

P = Preliminary Best Interest Finding /
ACMP Consistency Analysis.

F = Final Finding and Notice of Sale and Terms.

F_S = Supplement to Final Finding and/or Notice of Sale and Terms.

S = Sale.

Public Process

Visit our Website at "www.dog.dnr.state.ak.us"

North Slope Foothills Areawide Lease Sales	Areawide 2003	May	2003
	Areawide 2004	May	2004
	Areawide 2005	May	2005
	Areawide 2006	May	2006
	Areawide 2007	May	2007

Description of Sale Area: These five areawide sales will consist of all unleased, state-owned lands lying between the National Petroleum Reserve-Alaska (NPRA) and the Arctic National Wildlife Refuge (ANWR), south of the Umiat Baseline and north of the Gates of the Arctic National Park and Preserve. The gross proposed sale area is in excess of 7,000,000 acres and is divided into 1392 tracts. A significant amount of acreage within the sale area has only been selected by the state under the Alaska State Act. Certain ANCSA native village and regional corporations have also selected this acreage. The ultimate availability of this acreage for leasing by the state will depend on the outcome of the Bureau of Land Management's adjudication of the competing selections.

Hydrocarbon Potential: Hydrocarbon potential in the area is considered low to moderate.

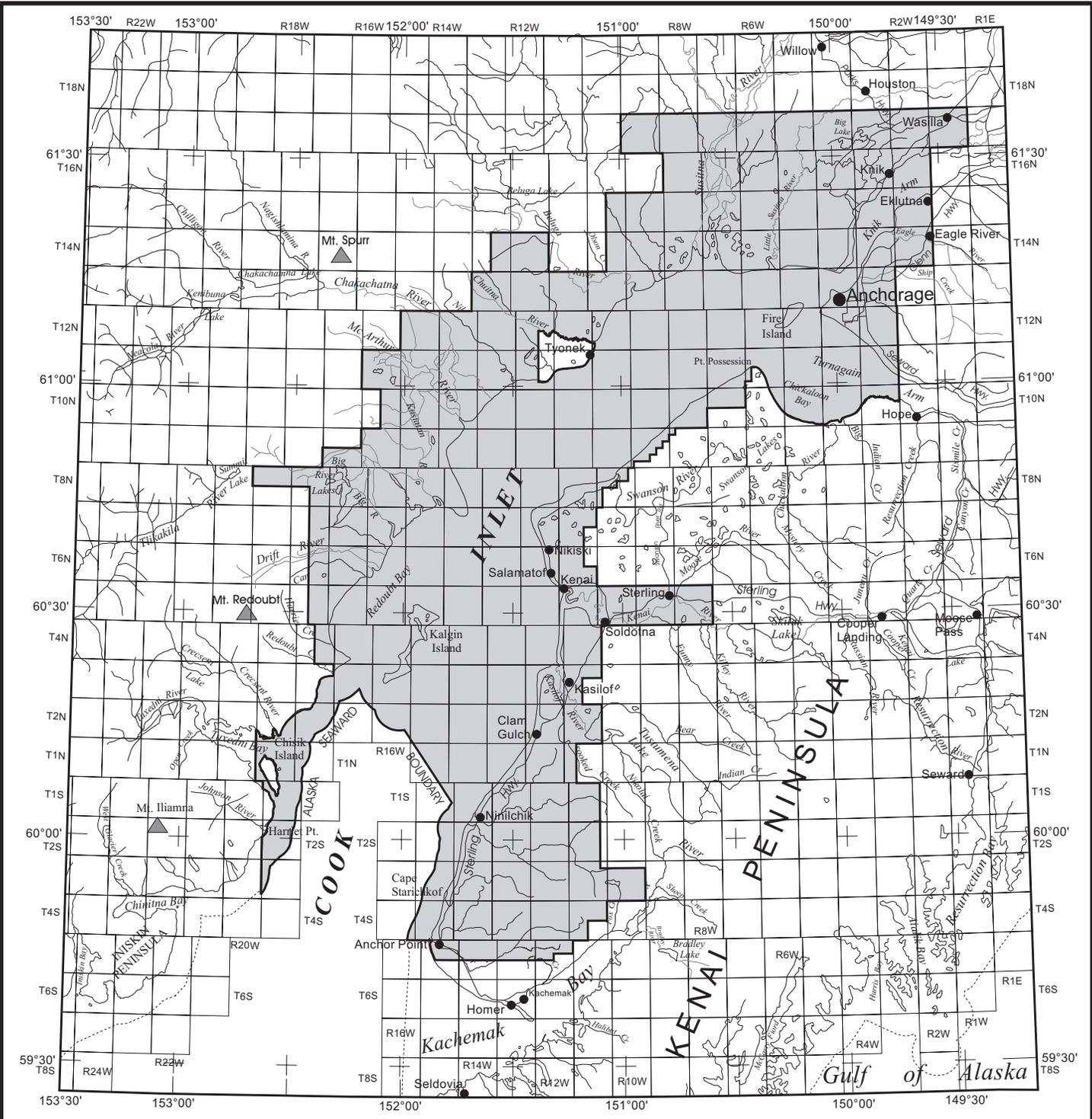
Other Resource Issues: Four caribou herds utilize the proposed sale area: the Western Arctic Herd, Central Arctic Herd, the Teshekpuk Lake Herd and the Porcupine Caribou Herd. Caribou use the proposed sale area as winter range and travel along the river drainages and mountain passes to their summer calving areas along the Beaufort Sea coast.

The riparian habitats found within the sale area are important to a variety of species such as moose, grizzly bears, and arctic peregrine falcons. Some of the higher mesa or butte areas are used for lambing and mineral licks by Dall sheep. Major river valleys, where willow stands are most abundant, provide valuable moose habitat. Moose concentrate in these areas throughout the year, with peak use occurring during winter. Grizzly bears are frequently associated with riparian habitats in the area, especially in the spring and fall. Arctic peregrine falcons nest along several of the rivers in the proposed sale area. Residents of Anaktuvuk Pass are the most frequent users of fish and wildlife in the sale area; however, Barrow and Nuiqsut residents occasionally harvest species in the area.

Community Information: Portions of the proposed sale area lie within the boundaries of the North Slope Borough Coastal Management District. Oil and gas activities in this area of the state's coastal zone must be consistent with the Alaska Coastal Management Program, which includes the borough's program. The North Slope Borough has adopted a Comprehensive Plan and Land Management Regulations that may impose restrictions on oil and gas activity in the proposed sale area.

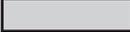
Community	Municipal Classification	Population (2000)
North Slope Borough	Home rule borough	9,430
Prudhoe Bay/Deadhorse	Unincorporated	5
Nuiqsut	Second class city	433
Anaktuvuk Pass	Second class city	282

Status of Sale: No decision has been made on whether these sales will be held. Approximately nine months prior to each proposed lease sale the division will issue a request for new information that has become available since the original finding was issued in February 2001. Should the director determine that, based on new information, a supplement to the finding is justified, the supplement, along with the director's decision, will be issued at least 90 days before each sale.



STATE OF ALASKA
 DEPARTMENT OF NATURAL RESOURCES
 DIVISION OF OIL AND GAS

COOK INLET AREAWIDE

Proposed Sale Area




Cook Inlet Areawide Lease Sales:	Areawide 2003	May	2003
	Areawide 2004	May	2004
	Areawide 2005	May	2005
	Areawide 2006	May	2006
	Areawide 2007	May	2007

Description of Sale Areas: These five areawide sales will include unleased, state-owned uplands located in the Matanuska and Susitna Valleys, the Anchorage Bowl, the western and southern Kenai Peninsula from Pt. Possession to Anchor Pt., as well as on the western shore of Cook Inlet from the Beluga River to Harriet Pt. These sales will also include the tide and submerged lands in the upper Cook Inlet from Kink and Turnagain Arms south to Anchor Pt. and Tuxedni Bay. The area is bounded on the east by the Chugach and Kenai Mountains and on the West by the Aleutian Range. The gross proposed area is about 4,200,000 acres and is divided into 815 tracts.

Hydrocarbon Potential: Hydrocarbon potential in the area is considered low to moderate.

Other Resource Issues: The Cook Inlet region is used extensively for commercial, subsistence, and recreational fishing and hunting. Five species of North Pacific salmon are fished commercially throughout Cook Inlet. A number of important anadromous streams are found within the proposed sale area. The area provides important habitat for moose, black and brown bear, caribou, and waterfowl. Marine mammals found near or within the area include beluga whales, Steller sea lions, sea otters and harbor seals. Protected or endangered species known to occur in the sale area include the bald eagle. Under the Endangered Species Act, the Steller sea lion is a threatened species east of 144 degrees longitude and endangered west of 144 degrees longitude.

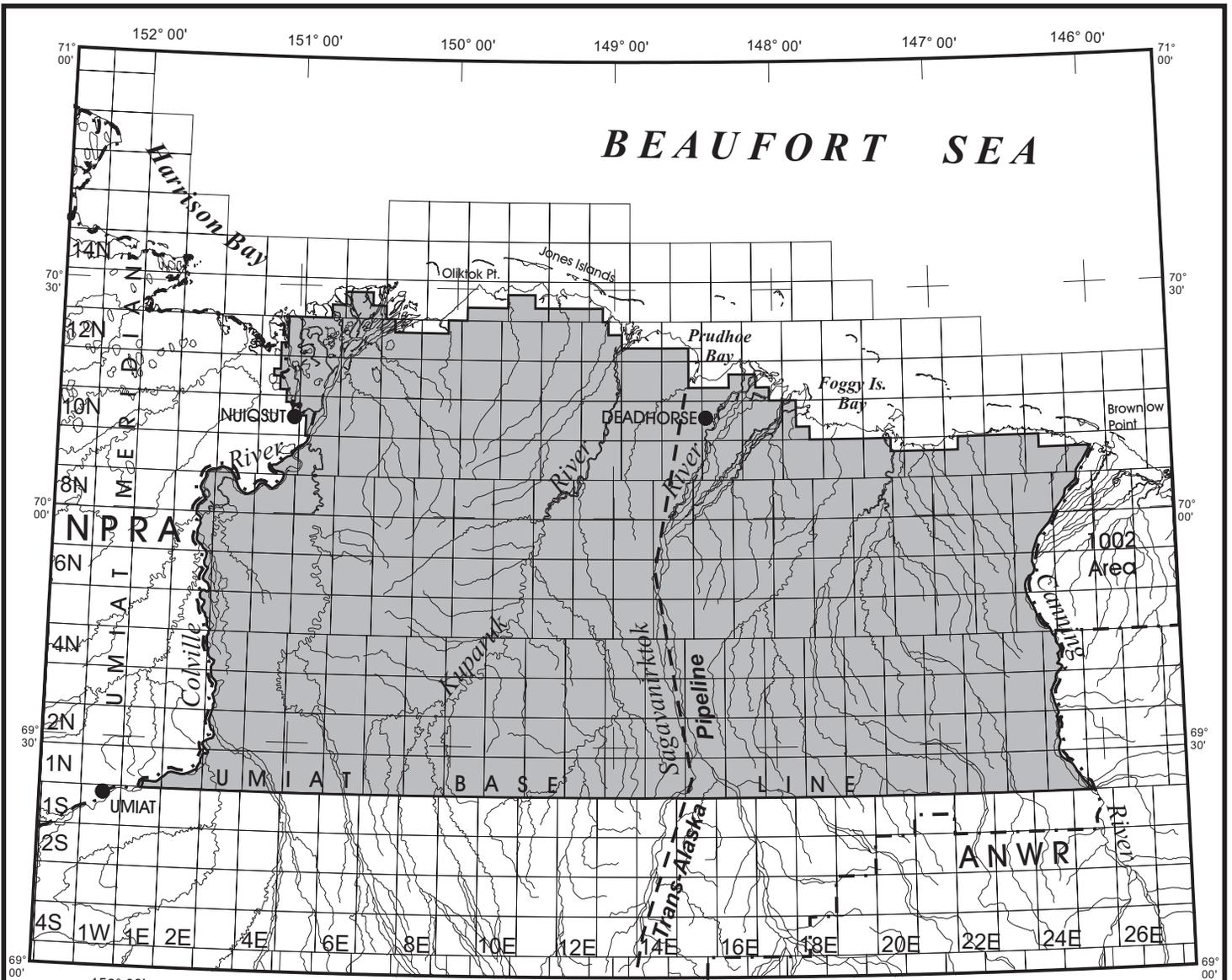
A number of state and federal wildlife refuges, critical habitat areas, recreation areas, and parks exist within or near the proposed sale area. These areas encompass important fish and wildlife habitat, and have significant scenic and recreational value.

Community Information: The proposed sale area is within the boundaries of two boroughs and the Municipality of Anchorage. The Matanuska-Susitna Borough, the Kenai Peninsula Borough, and the Municipality of Anchorage all have approved coastal management plans that are included in the Alaska Coastal Management Program.

Community	Municipal Classification	Population (2000)
Municipality of Anchorage	Unified home rule municipality	260,283
Kenai Peninsula Borough	Second class borough	49,691
Matanuska-Susitna Borough	Second class borough	59,322
Kenai	Home rule city	6,942
Palmer	Home rule city	4,533
Homer	First class city	3,946
Seldovia	First class city & Unincorporated	430
Soldotna	First class city	3,759
Wasilla	First class city	5,469
Houston	Second class city	1,202
Anchor Point	Unincorporated	1,845
Big Lake	Unincorporated	2,635
Clam Gulch	Unincorporated	173

Community	Municipal Classification	Population (2000)
Cohoe	Unincorporated	1,168
Eklutna	Unincorporated	394
Happy Valley	Unincorporated	489
Hope	Unincorporated	137
Kalifonsky	Unincorporated	5,846
Kasilof	Unincorporated	471
Knik-Fairview	Unincorporated	7,049
Nanwalek (English Bay)	Unincorporated	177
Ninilchik	Unincorporated	772
Nikiski	Unincorporated	4,327
Nikolaevsk	Unincorporated	345
Port Graham	Unincorporated	171
Ridgeway	Unincorporated	1,932
Salamatof	Unincorporated	954
Sterling	Unincorporated	4,705
Tyonek	Unincorporated	193

Status of Sales: No decision has been made on whether these sales will be held. Approximately nine months prior to each proposed lease sale the division will issue a request for new information that has become available since the original finding was issued in January 1999. Should the director determine that, based on new information, a supplement to the finding is justified, the supplement, along with the director's decision, will be issued at least 90 days before each sale.



STATE OF ALASKA
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 DIVISION OF OIL AND GAS

NORTH SLOPE AREAWIDE



Albers Equal-Area Conic Projection Based On The Clark 1866 Ellipsoid Central Meridian: -150.00 Origin Latitude: 50.00

Proposed Sale Areas



North Slope Areawide Lease Sales:	Areawide 2003	October 2003
	Areawide 2004	October 2004
	Areawide 2005	October 2005
	Areawide 2006	October 2006
	Areawide 2007	October 2007

Description of Sale Area: These five proposed areawide sales consist of all unleased, state-owned lands lying between the National Petroleum Reserve-Alaska (NPR) and the Arctic National Wildlife Refuge (ANWR), and from the Beaufort Sea in the north to the Umiat Meridian Baseline in the south. The proposed area contains as much as 5,100,000 acres and is divided into 1225 tracts. The sale area also includes unleased lands within the area of the 1991 settlement agreement between the Arctic Slope Regional Corporation (ASRC) and the state of Alaska. As a result of this agreement, a portion of the subsurface estate along the Colville River is owned jointly by the state and ASRC.

Hydrocarbon Potential: Hydrocarbon potential in the area is considered moderate to high.

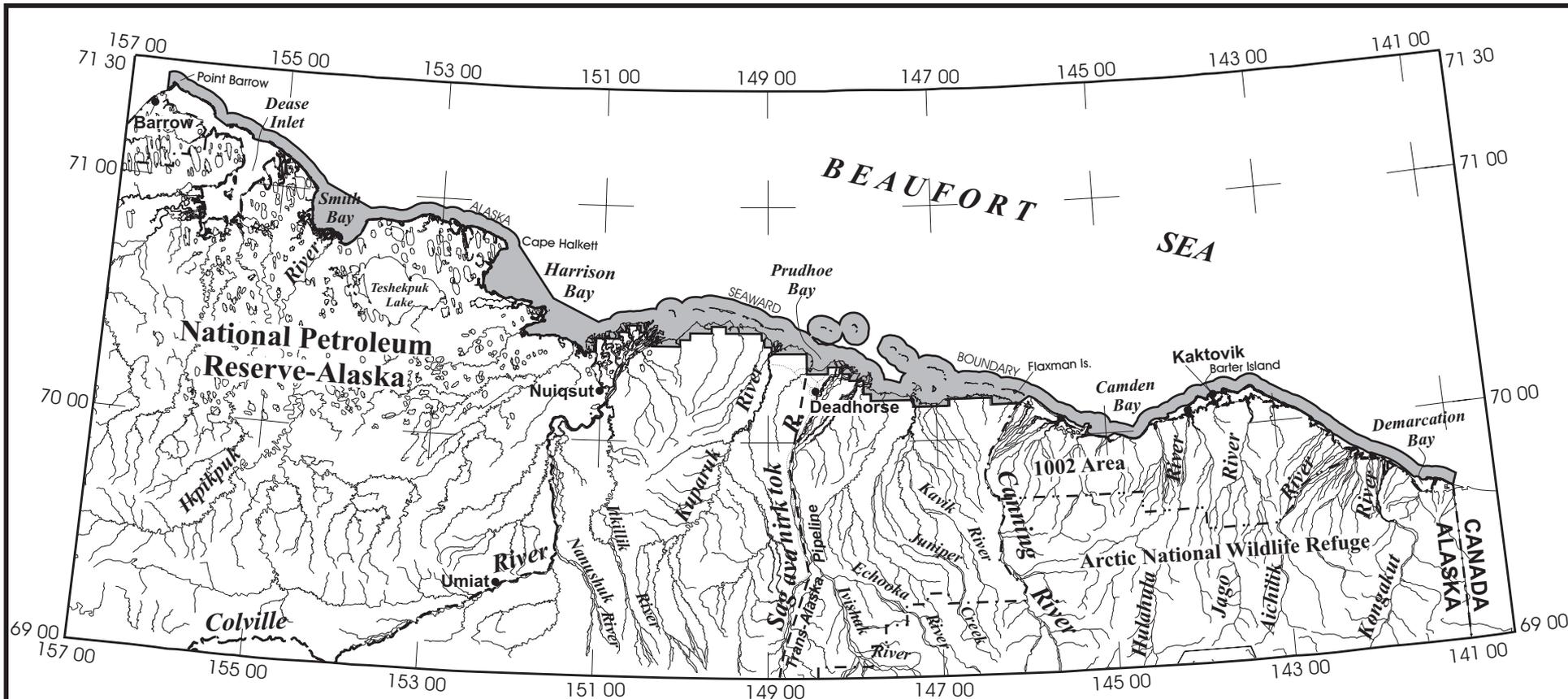
Other Resource Issues: The proposed sale area supports a variety of wildlife. Caribou from the Central Arctic Herd and the Teshekpuk Lake Herd utilize parts of the region. Grizzly bears and moose are found along the Colville and Itkillik rivers. Polar bear dens have been documented in the Colville River Delta. Spotted seals haul out on sand bars in the Colville River Delta. Arctic fox, wolverine, and wolves also inhabit the area. Millions of birds migrate through or near the area during the summer, stopping to feed or rest on the numerous small tundra ponds typical of the area. The Colville River Delta wetlands provide important staging, nesting, feeding, and molting habitat for many species of birds. Freshwater fish include grayling, burbot, and whitefish. Anadromous fish include arctic char, cisco, whitefish, and salmon. Residents of Nuiqsut and Anaktuvuk Pass use the area for fishing and hunting birds, caribou, and other species.

Community Information: Portions of the proposed sale area lie within the boundaries of the North Slope Borough Coastal Management District. Oil and gas activities in this area of the state's coastal zone must be consistent with the Alaska Coastal Management Program, which includes the borough's program. The North Slope Borough has adopted a Comprehensive Plan and Land Management Regulations that may impose restrictions on oil and gas activity in the proposed sale area.

Community	Municipal Classification	Population (2000)
North Slope Borough	Home rule borough	9,430
Prudhoe Bay/Deadhorse	Unincorporated	5
Nuiqsut	Second class city	433
Anaktuvuk Pass	Second class city	282

Status of Sales:

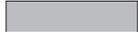
No decision has been made on whether these sales will be held. Approximately nine months prior to each proposed lease sale the division will issue a request for new information that has become available since the original finding was issued in March 1998. Should the director determine that, based on new information, a supplement to the finding is justified, the supplement, along with the director's decision, will be issued at least 90 days before each sale

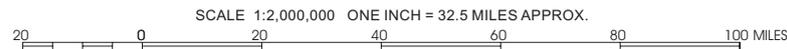


STATE OF ALASKA
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BEAUFORT SEA AREAWIDE



Proposed Sale Areas




Albers Equal-Area Conic Projection Based On The Clark 1866 Ellipsoid Central Meridian: -149.00 Origin Latitude: 50.00

Beaufort Sea Areawide Lease Sales:	Areawide 2003	October 2003
	Areawide 2004	October 2004
	Areawide 2005	October 2005
	Areawide 2006	October 2006
	Areawide 2007	October 2007

Description of Sale Area: The area for these five proposed sales consists of all unleased state-owned tide and submerged lands lying between the Canadian Border and Point Barrow, and some coastal uplands acreage located along the Beaufort Sea between the Staines and Colville Rivers. The gross proposed sale area is in excess of 2,000,000 acres and is divided into 576 tracts. The state of Alaska and the Arctic Slope Regional Corporation own a portion of the subsurface estate offshore of the mouth of the Colville River jointly. The state and agencies within the U.S. Department of the Interior have agreed upon a boundary line between state waters and those within the National Petroleum Reserve – Alaska and an administrative boundary between state waters and the Arctic National Wildlife Refuge.

Hydrocarbon Potential: The hydrocarbon potential in the area is considered moderate to high.

Other Resource Issues: The marine environment along the Beaufort Sea coast provides denning habitat for polar bears and pupping habitat for ringed seals. Bowhead whales occur in the proposed sale vicinity during the fall migration, and a bowhead whale feeding area has been documented in the Demarcation Point vicinity. Beluga whales may also be found in the general vicinity during the summer. Numerous species of waterfowl, shorebirds, and seabirds migrate along the Beaufort Sea, and nest, stage, and molt in the lagoonal areas. Nearshore waters provide habitat for many marine and anadromous fish species. Caribou, grizzly bear and moose are found along major rivers. Residents of Barrow, Nuiqsut and Kaktovik use the fish and wildlife resources in the area for subsistence. The fall and spring hunts for bowhead whales are especially important to their subsistence needs.

Community Information: The proposed sale area lies within the boundaries of the North Slope Borough Coastal Management Program. Oil and gas activities in these areas of the state’s coastal zone must be consistent with the Alaska Coastal Management Program, which includes the borough’s program. The North Slope Borough has adopted a Comprehensive Plan and Land Management Regulations that may impose restrictions on oil and gas activity in the proposed sale area.

Community	Municipal Classification	Population (2000)
North Slope Borough	Home rule borough	9,430
Barrow	First class city	4,581
Atkasuk	Second class city	228
Kaktovik	Second class city	293
Prudhoe Bay/Deadhorse	Unincorporated	5
Nuiqsut	Second class city	433

Status of Sales: No decision has been made on whether these sales will be held. Approximately nine months prior to each proposed lease sale the division will issue a request for new information that has become available since the original finding was issued in July 1999. Should the director determine that, based on new information, a supplement to the finding is justified, the supplement, along with the director’s decision, will be issued at least 90 days before each sale