

## AREAWIDE OIL AND GAS LEASE SALES

### 2003 Final Results

| <u>Sale</u>           | <u>Date</u> | <u>Acres Leased</u> | <u>High Bonus Bids</u> |
|-----------------------|-------------|---------------------|------------------------|
| North Slope Foothills | May 7       | 5,760               | \$36,576               |
| Cook Inlet            | May 7       | 73,869              | \$689,949              |
| North Slope           | Oct 29      | 210,006             | \$3,586,400            |
| Beaufort Sea          | Oct 29      | <u>39,995</u>       | <u>\$1,358,187</u>     |
| <b>Totals:</b>        |             | <b>329,630</b>      | <b>\$ 5,671,112</b>    |

### 2004 Results

| <u>Sale</u>           | <u>Date</u> | <u>Acres Leased</u> | <u>High Bonus Bids</u> | <u>Status</u> |
|-----------------------|-------------|---------------------|------------------------|---------------|
| North Slope Foothills | May 19      | 19,796              | \$106,305              | Final         |
| Cook Inlet            | May 19      | 363,520             | \$2,629,820            | Preliminary   |
| North Slope           | Oct 27      | 225,280             | \$9,447,757            | Preliminary   |
| Beaufort Sea          | Oct 27      | <u>125,440</u>      | <u>\$5,280,384</u>     | Preliminary   |
| <b>Totals:</b>        |             | <b>734,036</b>      | <b>\$17,464,265</b>    |               |

Individual results of the 2004 sales are reported on the following pages.

State of Alaska  
 Department of Natural Resources  
 Division of Oil and Gas

## North Slope Foothills 2004

*Sale Results Summary*

Date of Sale: 5/19/2004

**Final Report**

6/30/2004

Bidding Method: Cash BonusBid, Fixed Royalty

Total Tracts Sold: 5  
 Total Acres Sold: 19,796.00  
 Minimum Bid Per Acre: \$5.00  
 Royalty: 12.50000 %

Highest Bid: \$30,931.20  
 Tract Number: NSF 2004-0735  
 Submitted By: Petro-Canada (Alaska) Inc.

Total Number of Valid Bids: 5  
 Total High Bonus Bids: \$106,304.52  
 Total Exposed (Sum Of All Valid Bids): \$106,304.52  
 Average High Bonus Bid Per Acre: \$5.37

Highest Bid/Acre: \$5.37  
 Tract Number: NSF 2004-0738  
 Submitted By: Petro-Canada (Alaska) Inc.

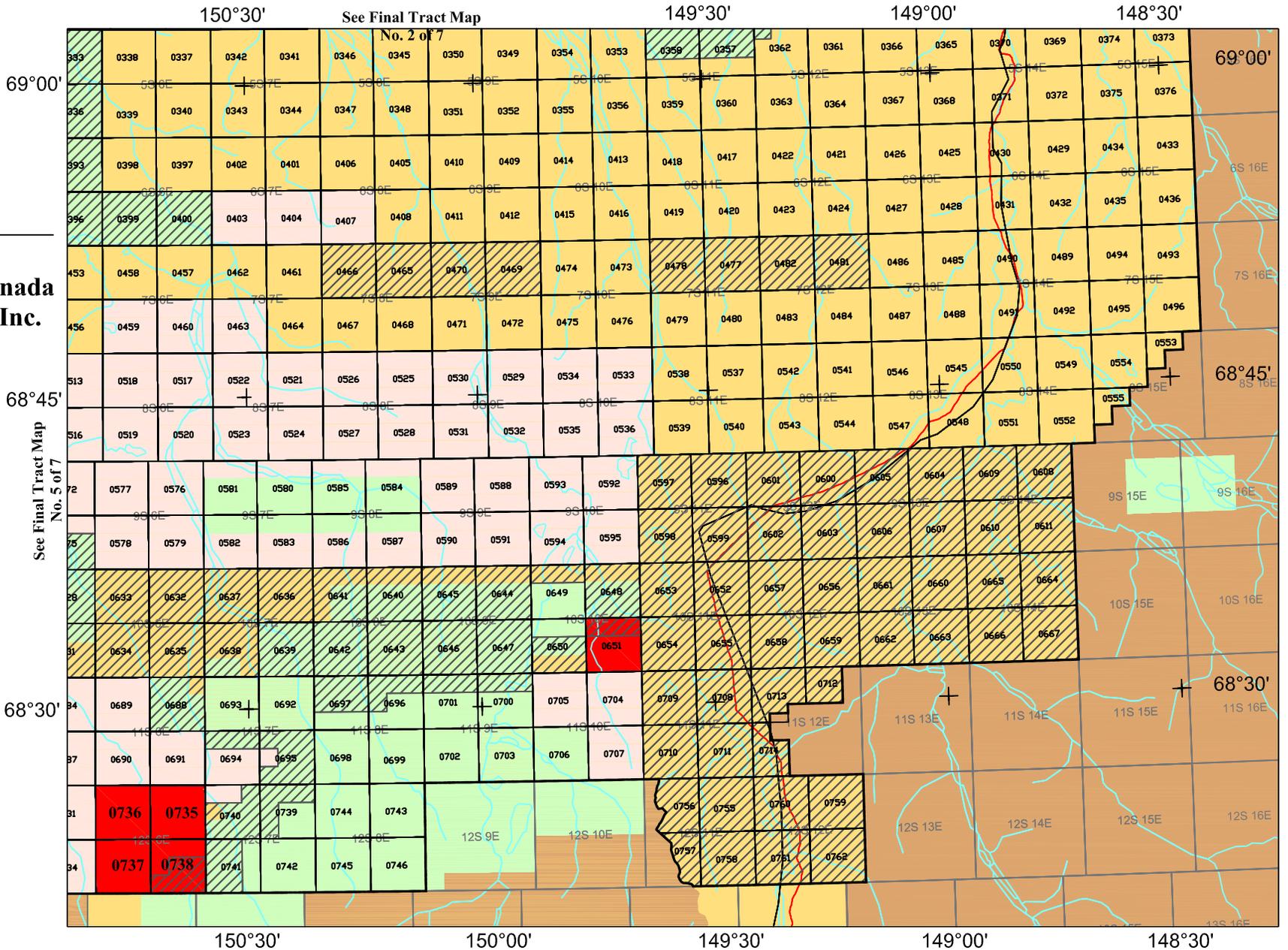
| Bidder Company or Group Name        | Number of Tracts Bid | Total of All Bids | Number of Tracts Won | Total of High Bids |
|-------------------------------------|----------------------|-------------------|----------------------|--------------------|
| Petro-Canada (Alaska) Inc.          | 5                    | \$106,304.52      | 5                    | \$106,304.52       |
| Petro-Canada (Alaska) Inc., 100.00% |                      |                   |                      |                    |

A lease will not be issued for Tract 0651 as there was no leaseable acreage within the tract (the State has a pending selection on the acreage within the tract, but has not yet received title).

# Oil And Gas Lease Sale North Slope Foothills Areawide 2004

**Preliminary  
 Sale  
 Results**

 **Petro-Canada  
 (Alaska) Inc.**



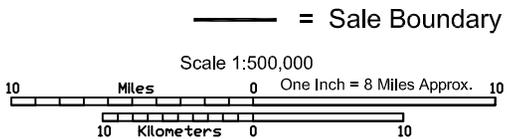
See Final Tract Map  
 No. 5 of 7

See Final Tract Map  
 No. 2 of 7

35



-  State acreage
-  Currently leased Federal acreage  
 (As of January 15, 2002)
-  Federal lands
-  State selected acreage / topfilled  
 (Deferred From Leasing)
-  Native acreage / selected
-  Lease tract number
-  Currently leased State acreage.  
 (As of February 05, 2004)
-  Native acreage / selected and State topfilled
-  Road
-  Trans-Alaska Pipeline



This Is Not An Official Tract Map. For Informational Purposes Only.

State of Alaska  
Department of Natural Resources  
Division of Oil and Gas

## Cook Inlet Areawide 2004

*Sale Results Summary*

Date of Sale: 5/19/2004

**Preliminary Report**

5/19/2004

Bidding Method: Cash BonusBid, Fixed Royalty

Total Tracts Sold: 72

Total Acres Sold: 363,520.00

Minimum Bid Per Acre: \$5.00

Royalty: 12.50000 %

Highest Bid: \$231,840.00

Tract Number: CIA2004-812

Submitted By: Alliance Energy Group LLC

Total Number of Valid Bids: 77

Total High Bonus Bids: \$2,629,820.16

Total Exposed (Sum Of All Valid Bids): \$2,755,528.32

Average High Bonus Bid Per Acre: \$7.23

Highest Bid/Acre: \$40.25

Tract Number: CIA2004-812

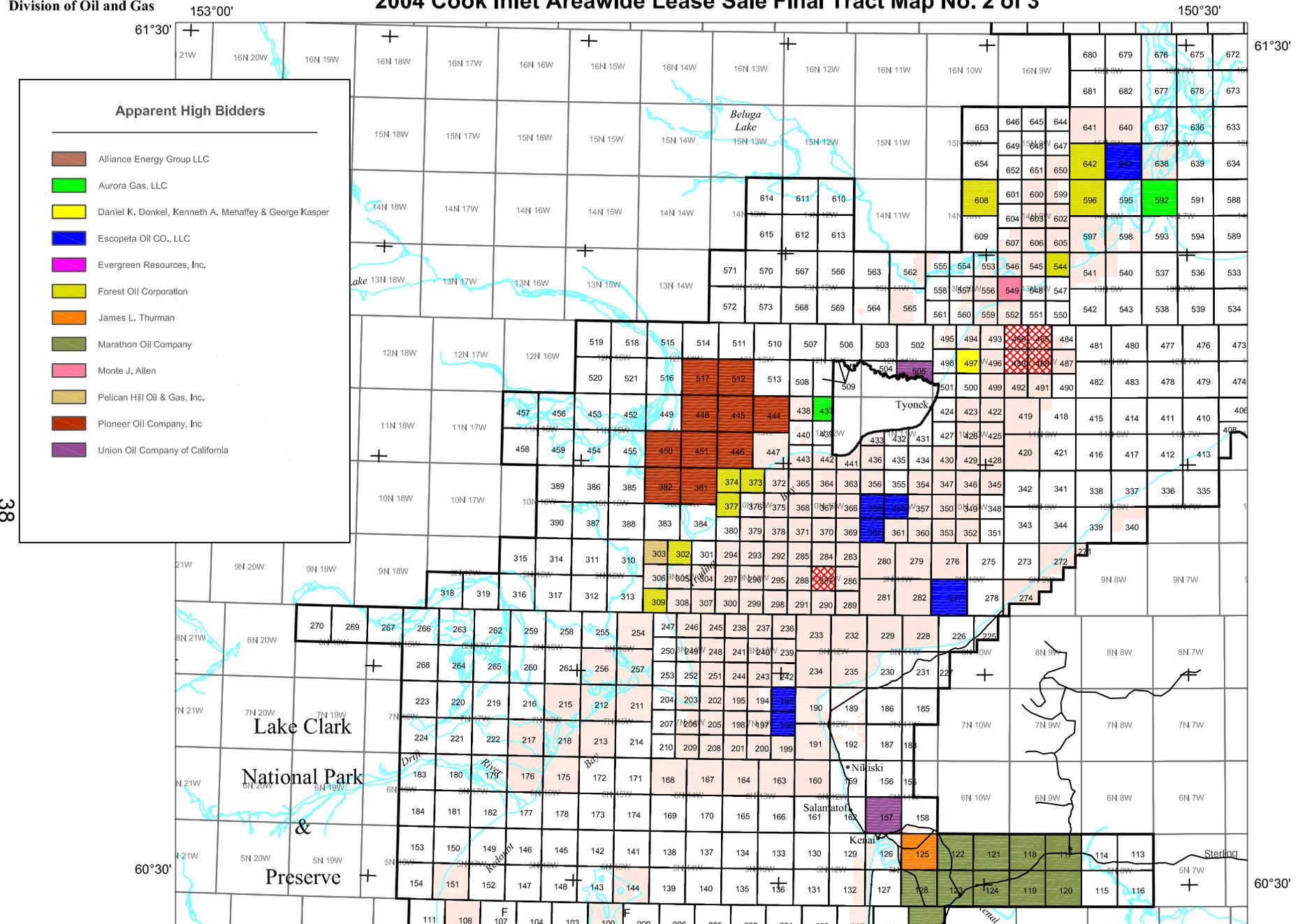
Submitted By: Alliance Energy Group LLC

| Bidder Company or Group Name  | Number of<br>Tracts Bid | Total of All Bids | Number of<br>Tracts Won | Total of High Bids |
|---|-------------------------|-------------------|-------------------------|--------------------|
| Alliance Energy Group LLC<br>Alliance Energy Group LLC , 100.00%  | 3                       | \$511,488.00      | 2                       | \$301,248.00       |
| Aurora Gas, LLC<br>Aurora Gas, LLC , 100.00%  | 4                       | \$137,100.80      | 3                       | \$98,508.80        |
| Daniel K. Donkel, Kenneth A. Mehaffey & George Kasper<br>Daniel K. Donkel, 33.40%; Kenneth A. Mehaffey, 33.30%; George Kasper, 33.30% | 2                       | \$43,065.60       | 1                       | \$12,825.60        |
| Escopeta Oil CO., LLC<br>Escopeta Oil CO., LLC , 100.00%  | 7                       | \$162,956.80      | 7                       | \$162,956.80       |
| Evergreen Resources, Inc.<br>Evergreen Resources, Inc. , 100.00%  | 1                       | \$59,040.00       | 1                       | \$59,040.00        |
| Forest Oil Corporation<br>Forest Oil Corporation , 100.00%  | 10                      | \$245,228.80      | 9                       | \$232,172.80       |
| James L. Thurman<br>James L. Thurman , 100.00%  | 1                       | \$35,712.00       | 1                       | \$35,712.00        |
| Marathon Oil Company<br>Marathon Oil Company , 100.00%  | 11                      | \$424,012.80      | 11                      | \$424,012.80       |
| Monte J. Allen<br>Monte J. Allen , 100.00%  | 2                       | \$44,693.12       | 1                       | \$13,928.96        |
| Pelican Hill Oil & Gas, Inc.<br>Pelican Hill Oil & Gas, Inc. , 100.00%  | 1                       | \$15,385.60       | 1                       | \$15,385.60        |
| Pioneer Oil Company, Inc<br>Pioneer Oil Company, Inc, 100.00%   | 28                      | \$806,208.00      | 27                      | \$793,152.00       |

| <b>Bidder Company or Group Name</b>       | <b>Number of Tracts Bid</b> | <b>Total of All Bids</b> | <b>Number of Tracts Won</b> | <b>Total of High Bids</b> |
|---|-----------------------------|--------------------------|-----------------------------|---------------------------|
| Union Oil Company of California           | 8                           | \$480,876.80             | 8                           | \$480,876.80              |
| Union Oil Company of California , 100.00% |                             |                          |                             |                           |

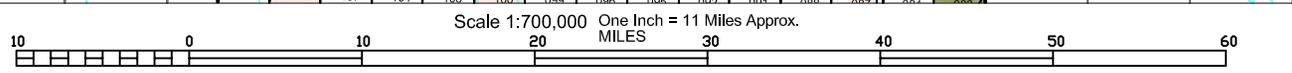
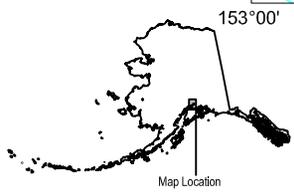
The Division is recommending the rejection of Alliance Energy Group LLC's bid for Tract CIA2004-0799 for failure to comply with applicable statutes, regulations, and the Sale Announcement & Instructions to Bidders. The final status of that bid is pending a final decision by the Commissioner. Pioneer Oil Company, Inc. is an independently owned company incorporated in Indiana with its main office located in Lawrenceville, Illinois.

# 2004 Cook Inlet Areawide Lease Sale Final Tract Map No. 2 of 3



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Final Tract Map  
No. 2 of 3

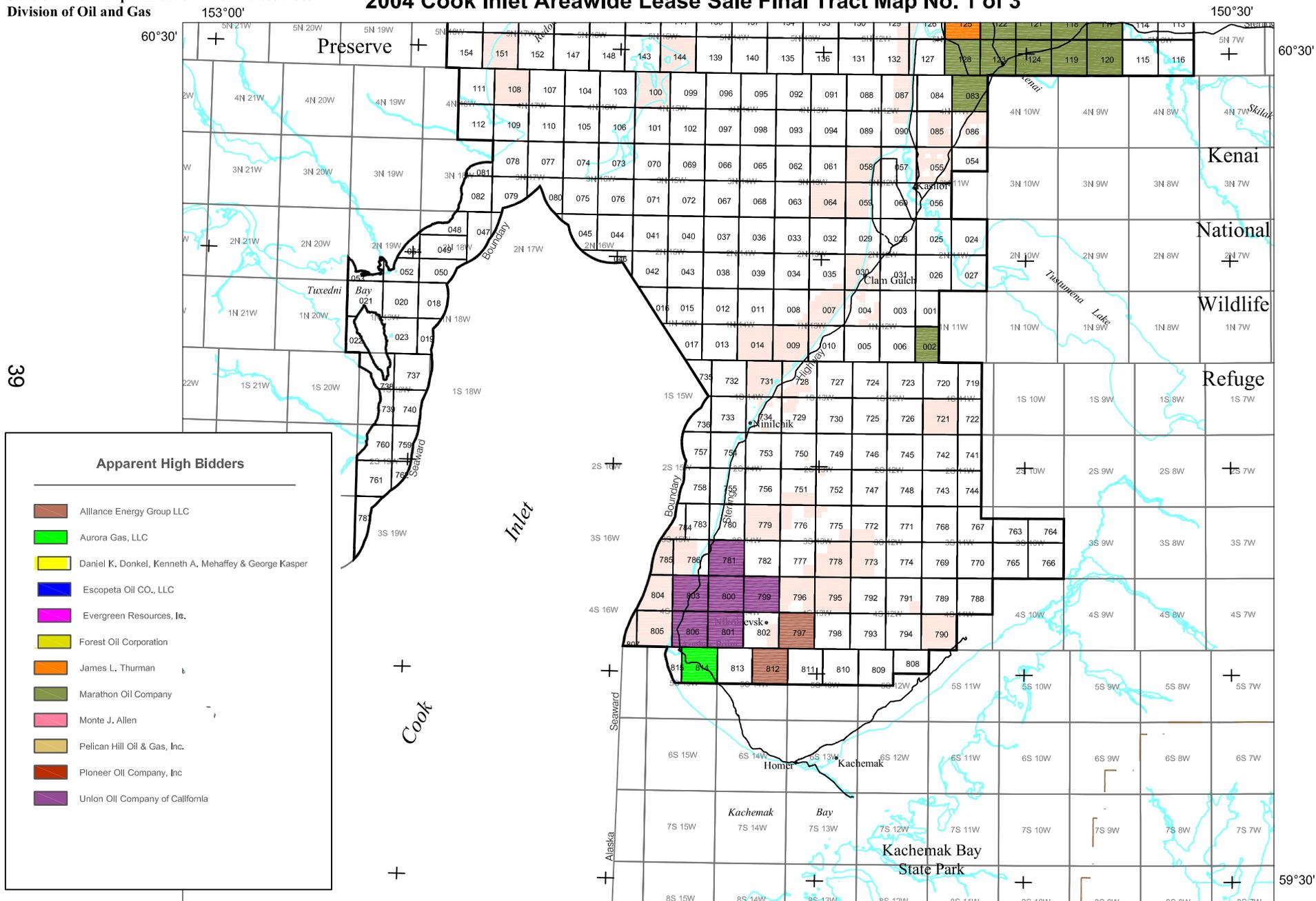


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**CIAW Sale Boundary**- 
**Acreage Withdrawn  
(from CIAW 2004).**- 
**Currently Leased  
State Acreage  
(As of 2-5-04).**

This Is Not An Official Tract Map. For Informational Purposes Only.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 151° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.

# 2004 Cook Inlet Areawide Lease Sale Final Tract Map No. 1 of 3



**Apparent High Bidders**

- Alliance Energy Group LLC
- Aurora Gas, LLC
- Daniel K. Donkel, Kenneth A. Mehaffey & George Kasper
- Escopeta Oil CO., LLC
- Evergreen Resources, Inc.
- Forest Oil Corporation
- James L. Thurman
- Marathon Oil Company
- Monte J. Allen
- Pelican Hill Oil & Gas, Inc.
- Pioneer Oil Company, Inc
- Union Oil Company of California

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Final Tract Map  
No. 1 of 3

Scale 1:700,000 One Inch = 11 Miles Approx.



CIAW Sale Boundary
  Acreage Withdrawn (from CIAW 2004).
  Currently Leased State Acreage (As of 2-5-04).

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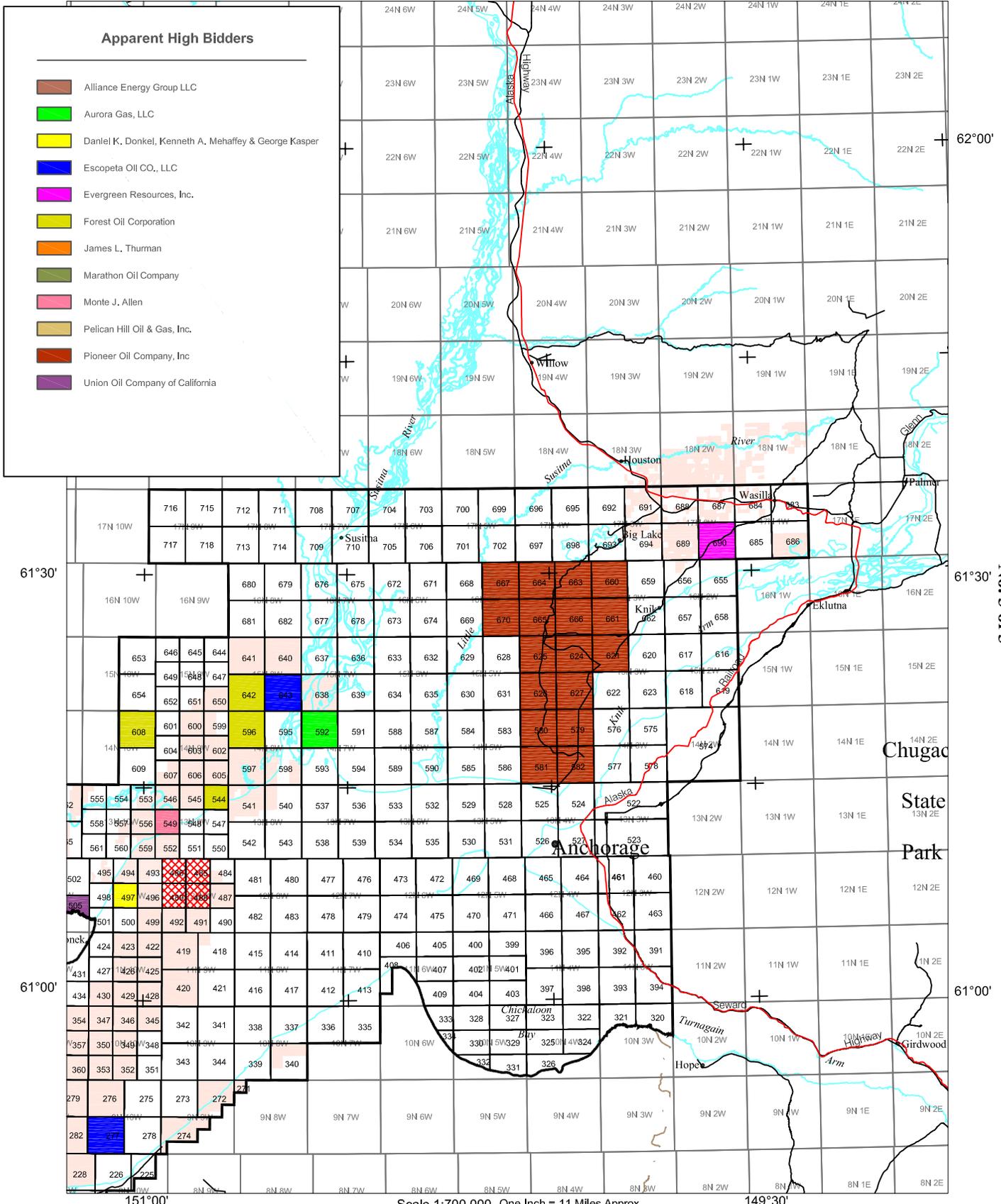
Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 151° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.



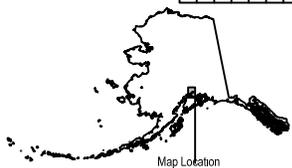
# 2004 Cook Inlet Areawide Lease Sale Final Tract Map No. 3 of 3

150°30'

149°00'



Final Tract Map  
No. 3 of 3



CIAW Sale Boundary

Acreage Withdrawn (from CIAW 2004).

Currently Leased State Acreage (As of 2-5-04).

This Is Not An Official Tract Map. For Informational Purposes Only.

ADNR 5/20/04  
Rev. 6/1/04

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State of Alaska  
Department of Natural Resources  
Division of Oil and Gas

## North Slope Areawide 2004

*Sale Results Summary*

Date of Sale: 10/27/2004

**Preliminary Report**

10/28/2004

Bidding Method: Cash BonusBid, Fixed Royalty

Total Tracts Sold: 61  
Total Acres Sold: 225,280.00  
Minimum Bid Per Acre: \$10.00  
Royalty: 12.50000 %  
16.66667 %

Highest Bid: \$981,939.20  
Tract Number: NSA2004-0974  
Submitted By: Armstrong Alaska, Inc.

Total Number of Valid Bids: 61  
Total High Bonus Bids: \$9,447,756.80  
Total Exposed (Sum Of All Valid Bids): \$9,447,756.80  
Average High Bonus Bid Per Acre: \$41.94

Highest Bid/Acre: \$383.57  
Tract Number: NSA2004-0974  
Submitted By: Armstrong Alaska, Inc.

| Bidder Company or Group Name  | Number of Tracts Bid | Total of All Bids | Number of Tracts Won | Total of High Bids |
|---|----------------------|-------------------|----------------------|--------------------|
| Anadarko Petroleum Corporation<br>Anadarko Petroleum Corporation, 100.00%   | 16                   | \$746,361.60      | 16                   | \$746,361.60       |
| Arctic Falcon Exploration, LLC<br>Arctic Falcon Exploration, LLC , 100.00%  | 3                    | \$96,691.20       | 0                    | \$0.00             |
| Armstrong Alaska, Inc.<br>Armstrong Alaska, Inc. , 100.00%  | 29                   | \$7,799,334.40    | 29                   | \$7,799,334.40     |
| AVCG, LLC<br>AVCG, LLC , 100.00%  | 8                    | \$478,080.00      | 8                    | \$478,080.00       |
| ConocoPhillips Alaska, Inc./Pioneer Natural Resources, Alaska Inc.<br>ConocoPhillips Alaska, Inc., 50.00%; Pioneer Natural Resources, Alaska Inc., 50.00% | 2                    | \$67,968.00       | 2                    | \$67,968.00        |
| Mark Anderson<br>Mark Anderson , 100.00%  | 8                    | \$371,200.00      | 4                    | \$204,800.00       |
| Pioneer Natural Resources Alaska, Inc.<br>Pioneer Natural Resources Alaska, Inc. , 100.00%  | 2                    | \$151,212.80      | 2                    | \$151,212.80       |

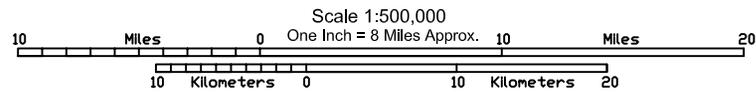
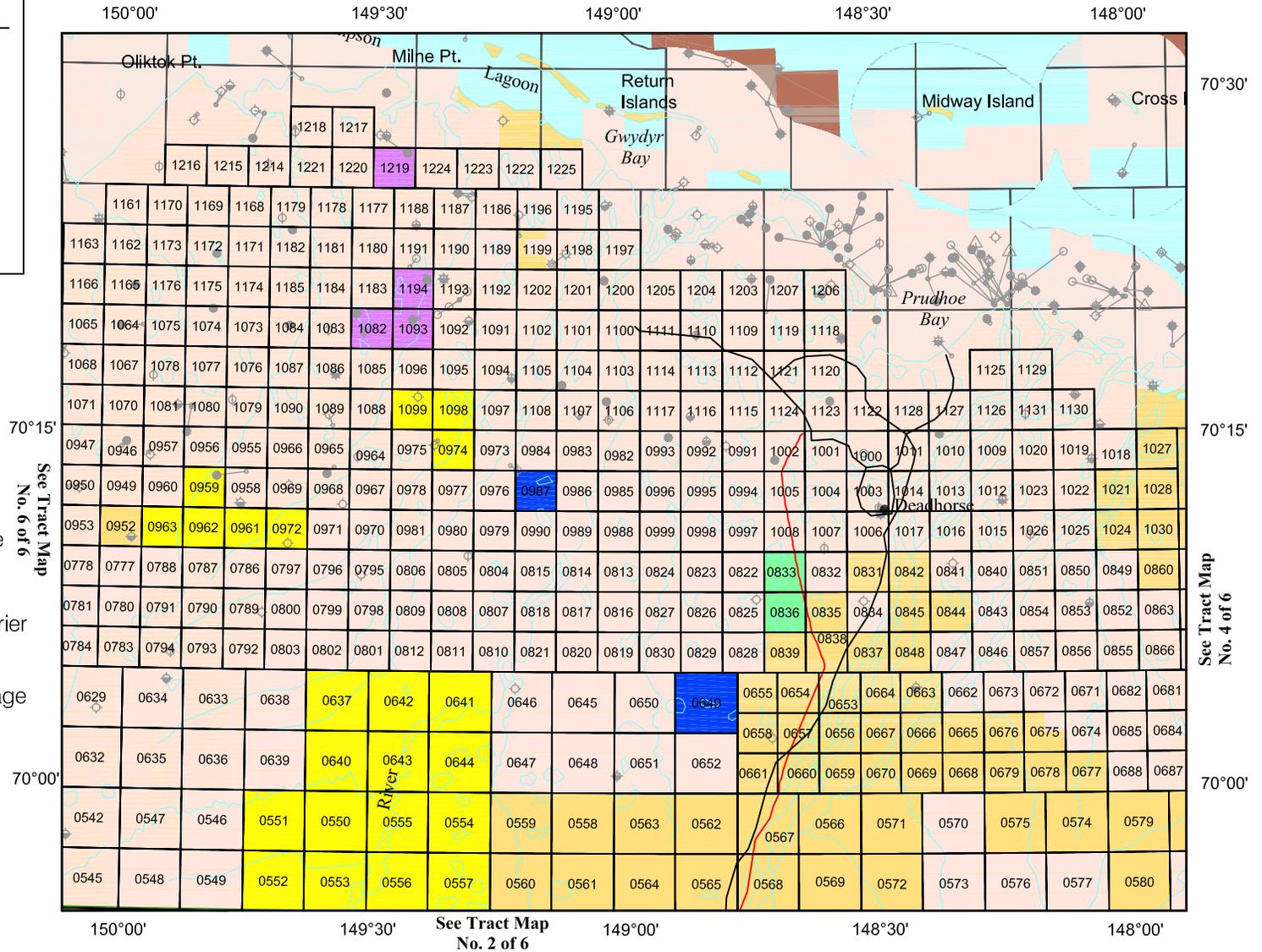
The Division is recommending that the Commissioner reject Arctic Falcon Exploration, LLC's bids for Tracts 0002, 0004 & 0006 for not meeting the minimum bid requirement. The Division recommends that the Commissioner reject Mr. Anderson's deficient bids for Tracts 0959, 0974, 1098 & 1099 as there are competing bids and the deficiency is material. However, under 11 AAC82.445, the Division recommends that Mr. Anderson be permitted to correct the deficient bids on Tracts 1082, 1093, 1194 & 1219 as there were no competing bids making the deficiency immaterial.

# North Slope Areawide 2004 Tract Map No. 5 of 6

**Apparent High Bidders**

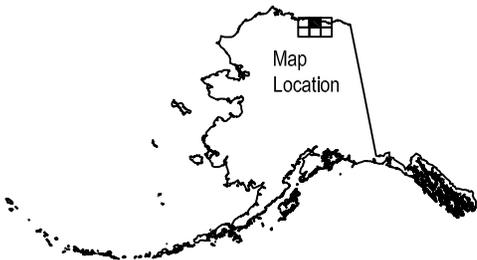
-  Anadarko Petroleum Corporation
-  Armstrong Alaska, Inc
-  AVCG, LLC
-  ConocoPhillips Alaska, Inc. and Pioneer Natural Resources Alaska, Inc.
-  Mark Anderson
-  Pioneer Natural Resources Alaska, Inc.

-  Sale Boundary
-  State acreage
-  Currently leased State acreage or pending lease. (As of July 06, 2004)
-  Federal lands (Includes all barrier islands off ANWR and NPRA)
-  Currently leased Federal acreage (As of May 2004)
-  Native lands / Native selected
-  State Acreage Deleted from North Slope Areawide.



This Is Not An Official Tract Map. For Informational Purposes Only.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.

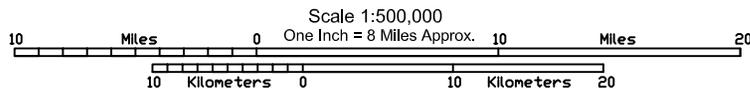
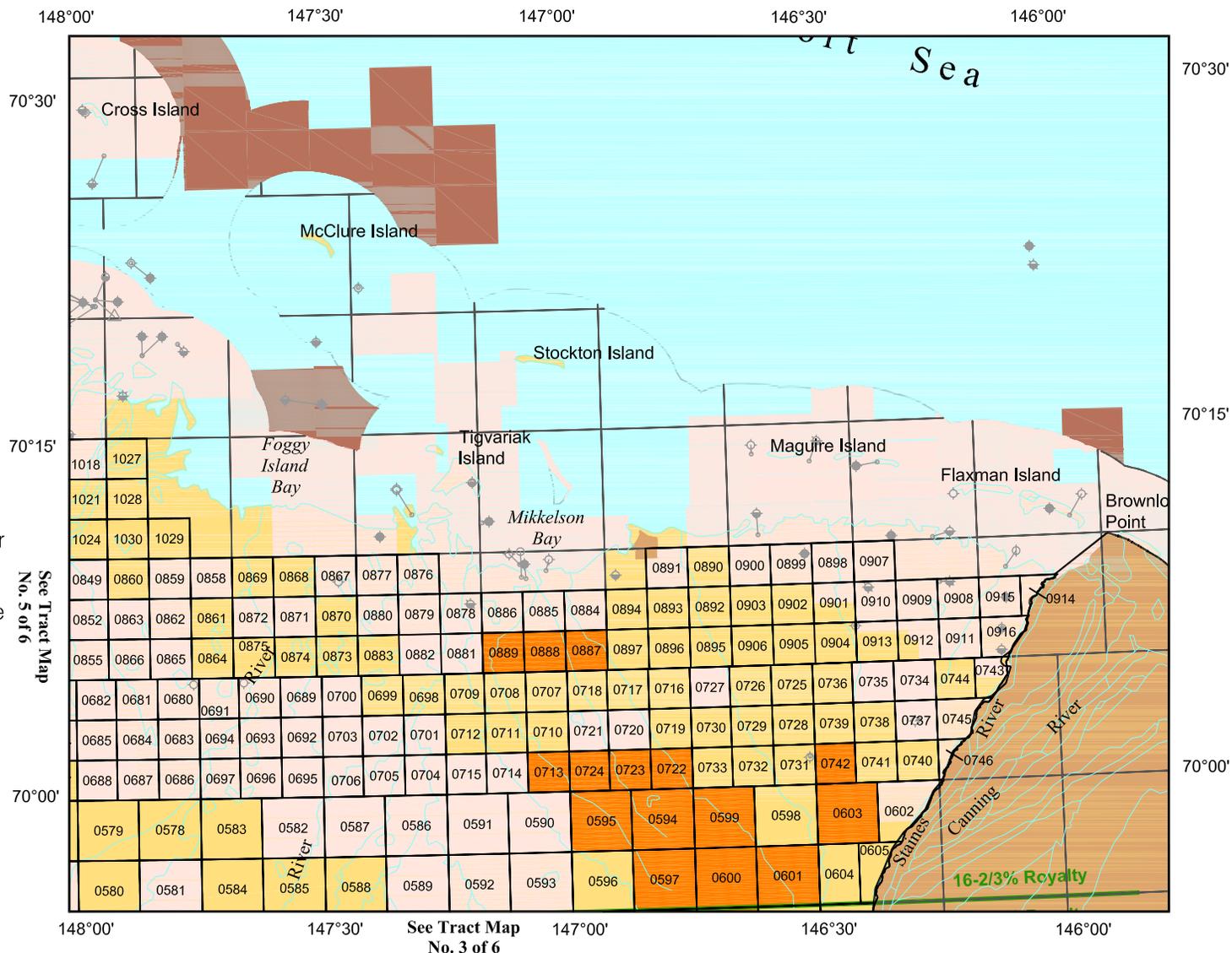


# North Slope Areawide 2004 Tract Map No. 4 of 6

**Apparent High Bidders**

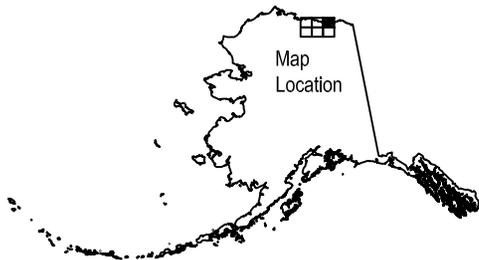
-  Anadarko Petroleum Corporation
-  Armstrong Alaska, Inc
-  AVCG, LLC
-  ConocoPhillips Alaska, Inc. and Pioneer Natural Resources Alaska, Inc.
-  Mark Anderson
-  Pioneer Natural Resources Alaska, Inc.

-  Sale Boundary
-  State acreage
-  Currently leased State acreage or pending lease. (As of July 06, 2004)
-  Federal lands (Includes all barrier islands off ANWR and NPRA)
-  Currently leased Federal acreage (As of May 2004)
-  Native lands / Native selected



This Is Not An Official Tract Map. For Informational Purposes Only.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.



# North Slope Areawide 2004 Tract Map No. 3 of 6

**Apparent High Bidders**

|   |  |
|---|--|
|  | Anadarko Petroleum Corporation   |
|  | Armstrong Alaska, Inc  |
|  | AVCG, LLC  |
|  | ConocoPhillips Alaska, Inc. and Pioneer Natural Resources Alaska, Inc. |
|  | Mark Anderson  |
|  | Pioneer Natural Resources Alaska, Inc.                                 |

**Sale Boundary**

 State acreage

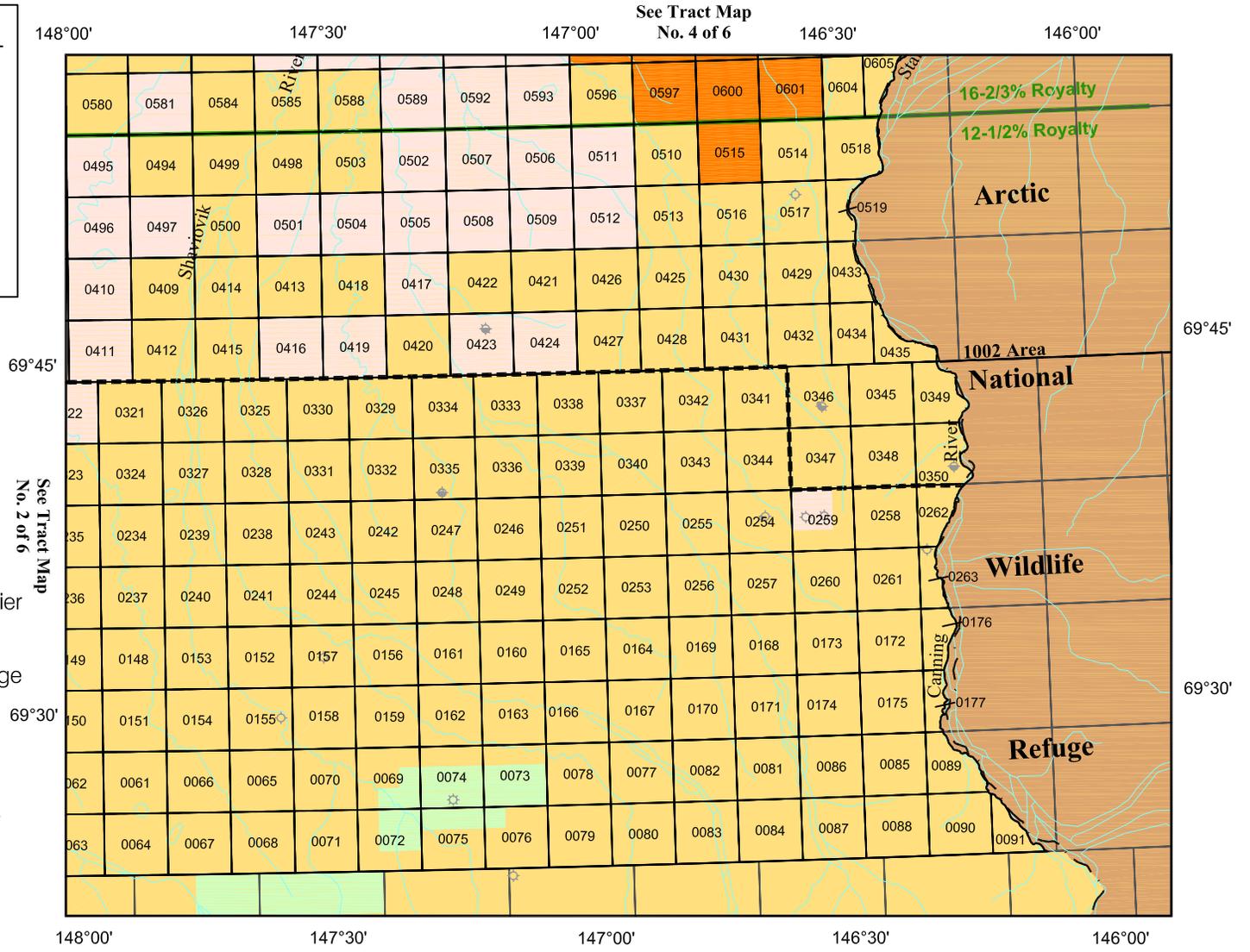
 Currently leased State acreage or pending lease. (As of July 06, 2004)

 Federal lands (Includes all barrier islands off ANWR and NPRA)

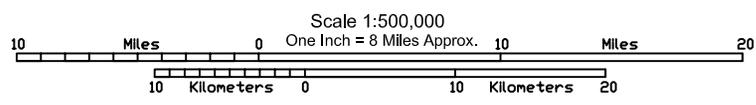
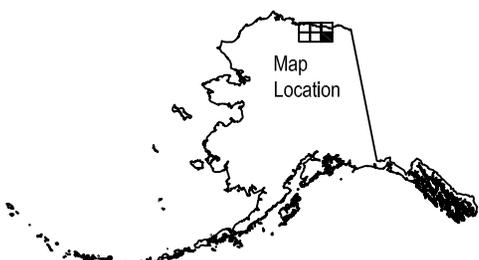
 Currently leased Federal acreage (As of May 2004)

 Native lands / Native selected

 Gravel Consideration Boundary



45



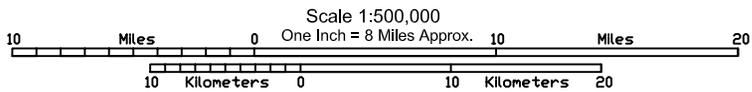
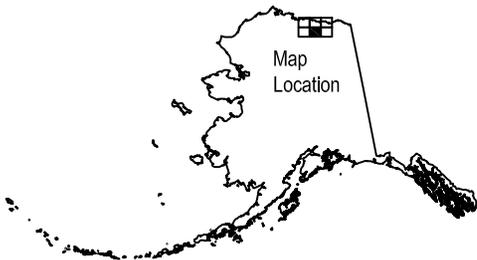
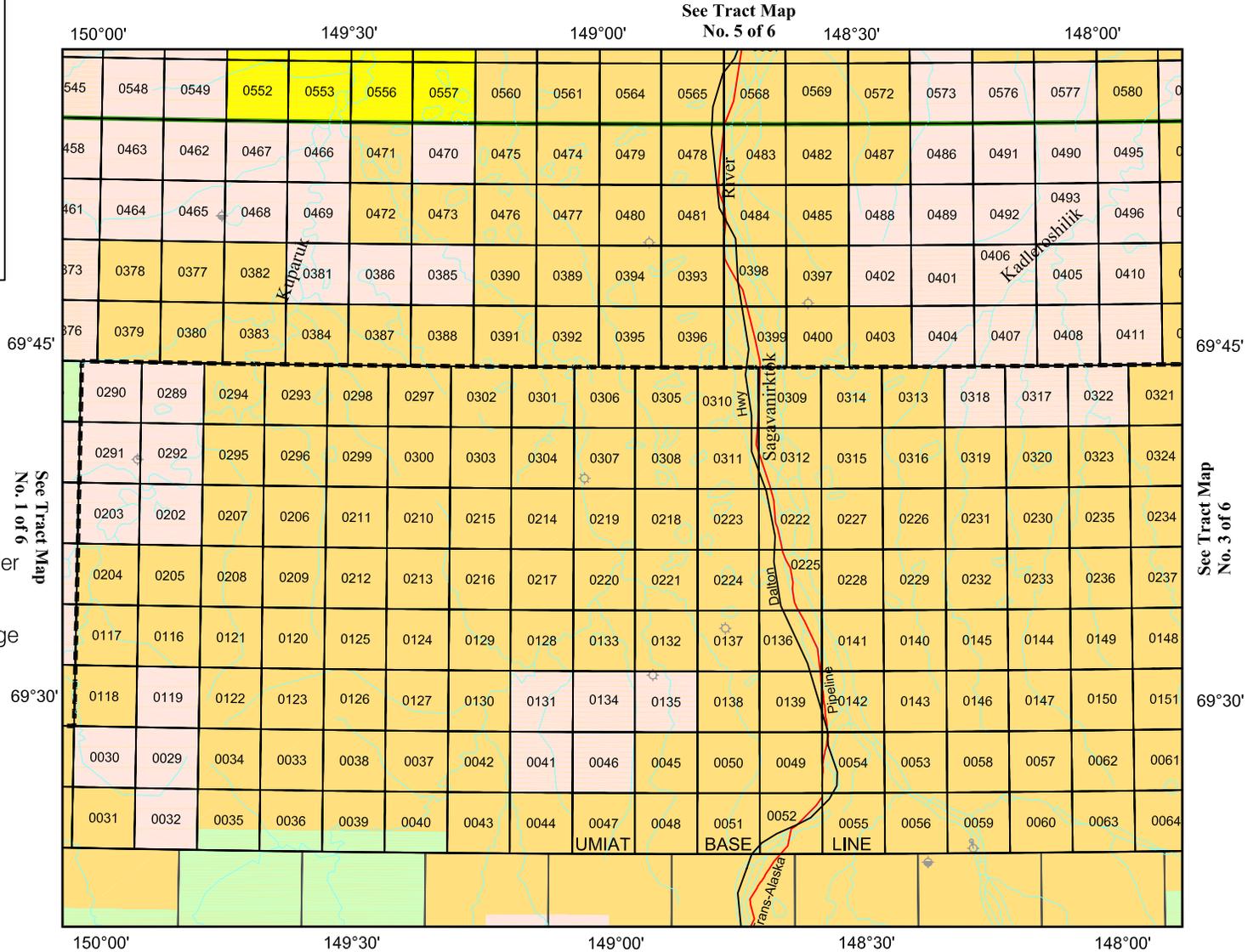
This Is Not An Official Tract Map. For Informational Purposes Only.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.

# North Slope Areawide 2004 Tract Map No. 2 of 6

| Apparent High Bidders   |  |
|---|--|
|  | Anadarko Petroleum Corporation   |
|  | Armstrong Alaska, Inc  |
|  | AVCG, LLC  |
|  | ConocoPhillips Alaska, Inc. and Pioneer Natural Resources Alaska, Inc. |
|  | Mark Anderson  |
|  | Pioneer Natural Resources Alaska, Inc.                                 |

-  Sale Boundary
-  State acreage
-  Currently leased State acreage or pending lease. (As of July 06, 2004)
-  Federal lands (Includes all barrier islands off ANWR and NPRA)
-  Currently leased Federal acreage (As of May 2004)
-  Native lands / Native selected
-  Gravel Consideration Boundary



This Is Not An Official Tract Map. For Informational Purposes Only.

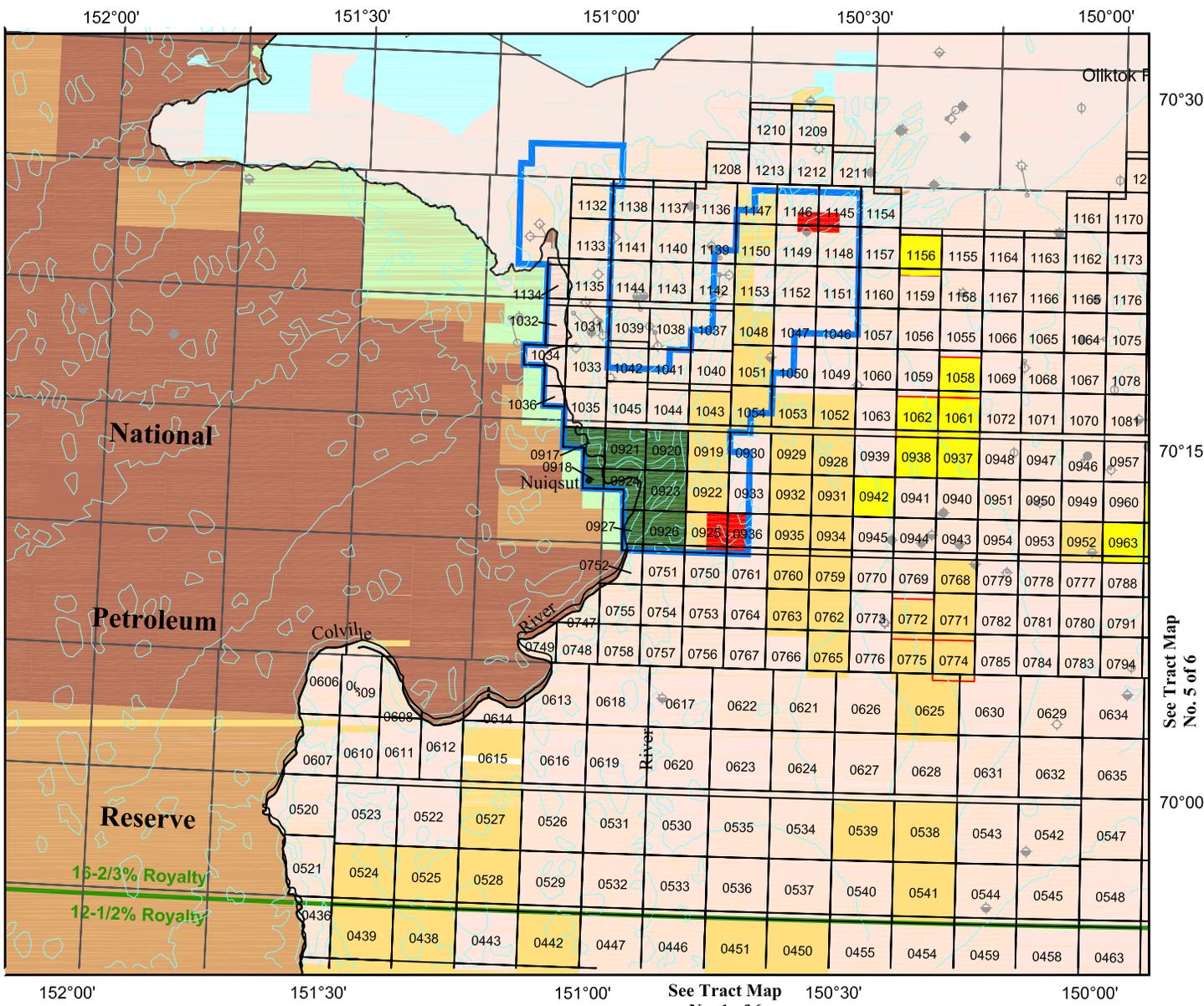
Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.

# North Slope Areawide 2004 Tract Map No. 6 of 6

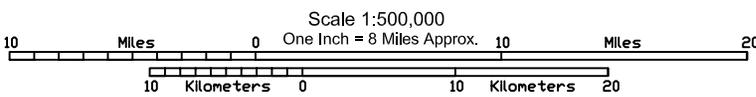
**Apparent High Bidders**

-  Anadarko Petroleum Corporation
-  Armstrong Alaska, Inc.
-  AVCG, LLC
-  ConocoPhillips Alaska, Inc. and Pioneer Natural Resources Alaska, Inc.
-  Mark Anderson
-  Pioneer Natural Resources Alaska, Inc.

-  Sale Boundary
-  State acreage
-  Currently leased State acreage or pending lease. (As of July 01, 2004)
-  Federal lands (Includes all barrier islands off ANWR and NPRA)
-  Currently leased Federal acreage (As of May 2004)
-  Native lands / Native selected
-  State Acreage Deleted from North Slope Areawide.
-  State/ASRC Settlement Boundary



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This Is Not An Official Tract Map. For Informational Purposes Only.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.

State of Alaska  
Department of Natural Resources  
Division of Oil and Gas

## Beaufort Sea Areawide 2004

*Sale Results Summary*

Date of Sale: 10/27/2004

**Preliminary Report**

10/28/2004

Bidding Method: Cash BonusBid, Fixed Royalty

Total Tracts Sold: 28

Total Acres Sold: 125,440.00

Minimum Bid Per Acre: \$10.00

Royalty: 12.50000 %

16.66667 %

Highest Bid: \$776,115.20  
Tract Number: BSA2004-367  
Submitted By: Kerr-McGee Oil and Gas Corp./Armstrong Alaska, Inc.

Total Number of Valid Bids: 28

Total High Bonus Bids: \$5,280,384.00

Total Exposed (Sum Of All Valid Bids): \$5,280,384.00

Average High Bonus Bid Per Acre: \$42.09

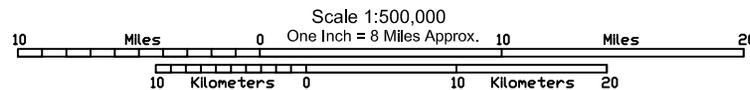
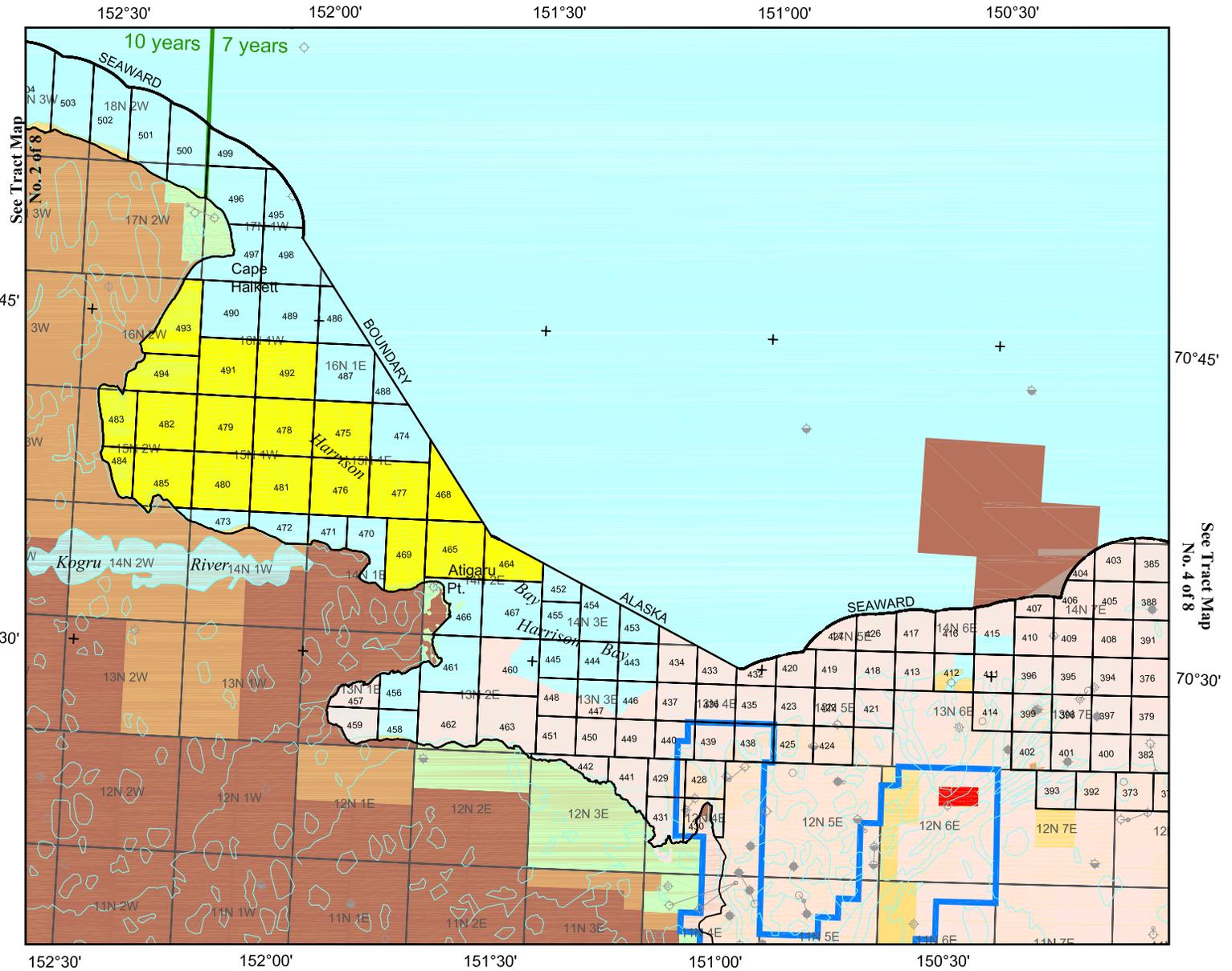
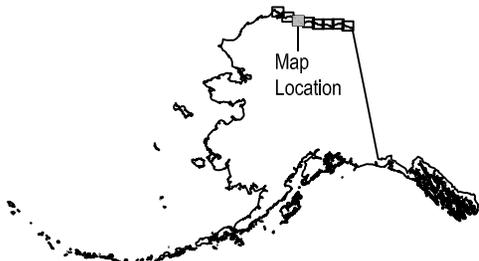
Highest Bid/Acre: \$303.17  
Tract Number: BSA2004-367  
Submitted By: Kerr-McGee Oil and Gas Corp./Armstrong Alaska, Inc.

| Bidder Company or Group Name   | Number of Tracts Bid | Total of All Bids | Number of Tracts Won | Total of High Bids |
|--|----------------------|-------------------|----------------------|--------------------|
| Armstrong Alaska, Inc.<br>Armstrong Alaska, Inc. , 100.00%   | 1                    | \$44,108.80       | 1                    | \$44,108.80        |
| Devon Energy Production Company, L.P.<br>Devon Energy Production Company, Limited Partnership , 100.00%                            | 5                    | \$182,400.00      | 5                    | \$182,400.00       |
| Fortuna Exporation LLC<br>Fortuna Exporation LLC , 100.00%   | 19                   | \$3,453,312.00    | 19                   | \$3,453,312.00     |
| Kerr-McGee Oil and Gas Corp./Armstrong Alaska, Inc.<br>Kerr-McGee Oil and Gas Corporation , 70.00%; Armstrong Alaska, Inc., 30.00% | 2                    | \$1,552,230.40    | 2                    | \$1,552,230.40     |
| UltraStar Exploration LLC<br>UltraStar Exploration LLC, 100.00%  | 1                    | \$48,332.80       | 1                    | \$48,332.80        |

# Beaufort Sea Areawide 2004 Tract Map No. 3 of 8

| Apparent High Bidders   |   |
|---|---|
|  | Armstrong Alaska, Inc.  |
|  | Devon Energy Production Company, L.P.                         |
|  | Fortuna Exploration LLC                                       |
|  | Kerr-McGee Oil and Gas Corporation and Armstrong Alaska, Inc. |
|  | UltraStar Exploration LLC                                     |

-  Sale Boundary
-  State acreage
-  Currently leased State acreage or pending lease. (As of July 6, 2004)
-  Federal lands (Includes all barrier islands off ANWR and NPRA)
-  Currently leased Federal acreage (As of May, 2004)
-  NPRA Federal Acreage Receiving Bids Lease Sale 2004 (As of June 2, 2004).
-  Native lands / Native selected
-  State/ASRC Settlement Boundary
-  State Acreage Deleted from North Slope Areawide.



This Is Not An Official Tract Map. For Informational Purposes Only.

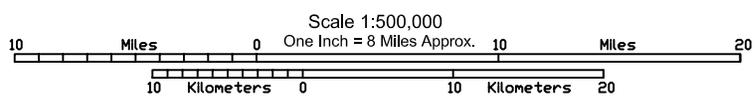
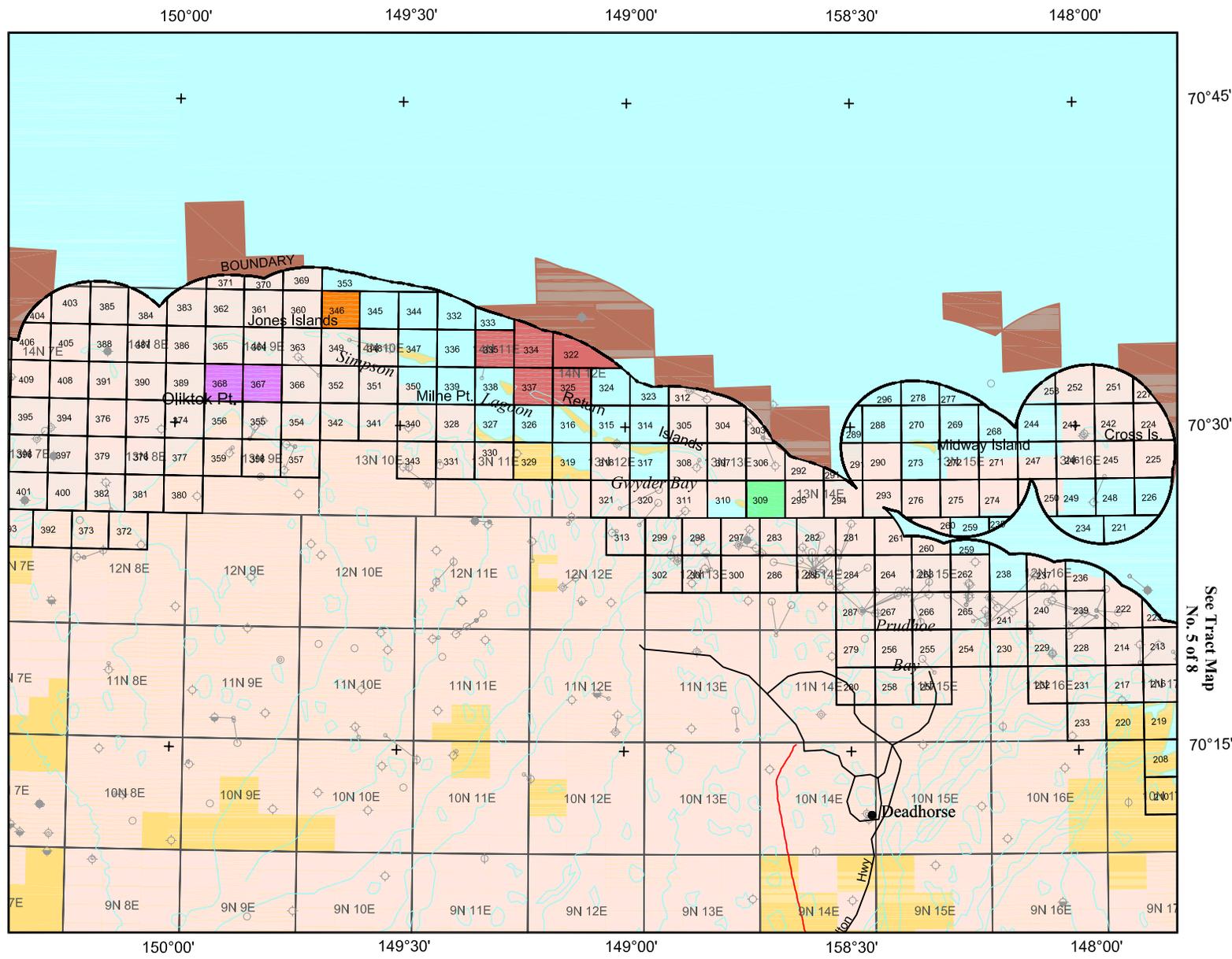
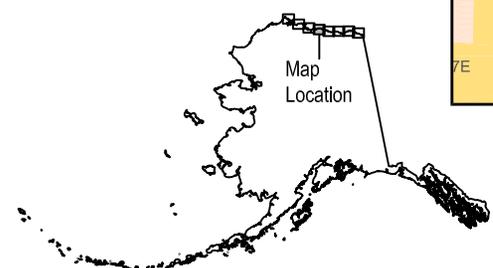
Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.

# Beaufort Sea Areawide 2004 Tract Map No. 4 of 8

**Apparent High Bidders**

-  Armstrong Alaska, Inc.
-  Devon Energy Production Company, L.P.
-  Fortuna Exploration LLC
-  Kerr-McGee Oil and Gas Corporation and Armstrong Alaska, Inc.
-  UltraStar Exploration LLC

-  Sale Boundary
-  State acreage
-  Currently leased State acreage or pending lease. (As of July 6, 2004)
-  Currently leased Federal acreage. (As of May 2004)
-  Native lands / Native selected



This Is Not An Official Tract Map. For Informational Purposes Only.

Albers Equal-Area Conic Projection, 1927 North American Datum, Clarke 1866 ellipsoid with a central meridian of 150° 45', origin latitude of 50°, northern parallel of 65°, and southern parallel of 55°.