

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF OIL & GAS

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July 17, 2008

### PUBLIC NOTICE MOUNT SPURR GEOTHERMAL LEASE SALE NO. 3 COMPETITIVE SEALED BID

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G), is giving notice pursuant to AS 38.05.945(a)(4) that it offering land along the southern flanks of Mount Spurr for geothermal leasing by competitive sealed bid. Bid opening for the Mt. Spurr Geothermal Lease Sale No. 3 begins at 9:00 a.m. on September 10, 2008 at the Atwood Building, Suite 240, 550 West 7<sup>th</sup> Ave., in Anchorage.

The Mount Spurr geothermal sale area encompasses 36,057.13 acres of state owned land and is divided into 16 tracts ranging in size from 250 to 2,560 acres. The sale area is located about 40 miles west of the village of Tyonek, northwest of Trading Bay along the southern flanks of Mount Spurr, including the east end of Chakachamna Lake and a portion of the Chakachamna River. The area lies entirely within the Kenai Peninsula Borough.

#### **Mount Spurr Geothermal**

Bidding Method: Cash bonus, sealed bid. A separate bid must be submitted for each tract.  
Minimum Bid: One dollar (\$1.00) per acre.  
Bid Requirements: Bids must be for entire tract acreage. Bids for partial tracts will not be accepted.  
Bid Submission: Bids must be received by DO&G no later than 4:00 p.m. September 8, 2008.  
Bid deposit: 20.0000% of the total bid amount.  
Length of Lease: Primary term of ten (10) years, renewable for an additional 5 years.  
Annual Rental: \$3.00 per acre  
Royalty Rate: Ten percent (10%) of the gross revenues derived from the production, sale, or use of geothermal resources under the lease.

#### **Bidder's Information**

Complete details regarding the lease sale, including the entire sale announcement, instructions to bidders, and tract map are available on the division's website at <http://www.dog.dnr.state.ak.us/>. If unable to access this information, contact Tim Jones by phone at (907) 269-8814 or email [timothy.jones@alaska.gov](mailto:timothy.jones@alaska.gov). Sale announcements and tract maps are also available in the following locations: public libraries in Palmer, Wasilla, Kenai, Ninilchik, Homer, Soldotna, Anchor Point, Seldovia and Tyonek; the Loussac Public Library in Anchorage; the Matanuska-Susitna Planning Dept. offices in Palmer; the Kenai Peninsula Borough Planning Dept. offices in Soldotna; and the Anchorage Municipal Clerk's office.

#### **Mt. Spurr Geothermal Lease Sale Best Interest Finding**

ADNR issued a *Final Finding of the Director* on June 16, 2008, which is available on the division's website and at the above-mentioned locations.

#### **Americans with Disabilities Act Compliance**

The State of Alaska, DNR, DO&G complies with Title II of the Americans with Disabilities Act of 1990. This publication will be made available in alternative communication formats upon request. Please contact Tim Jones at (907) 269-8814 to make any necessary arrangements.

DNR reserves the right to waive technical defects in this publication.



Kevin Banks,  
Acting Director

*"Develop, Conserve, and Enhance Natural Resources for Present and Future Alaskans."*

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