

June 3, 2011

**NOTICE FOR CALL FOR COMMENTS ON
IVAN RIVER GAS STORAGE APPLICATION,
AMENDED UNIT PLAN OF OPERATIONS, and
ALASKA COASTAL MANAGEMENT PROGRAM CONSISTENCY REVIEW**

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G) hereby gives notice under AS 38.05.945(a)(3)(B) of the receipt of a gas storage lease application under AS 38.05.180(u). Notice is also given under AS 46.40.096(c) that this application is within the Matanuska-Susitna (Mat-Su) Borough Coastal Management District.

Union Oil Company of California (UNOCAL) has filed with the DO&G applications for a new gas storage lease (ADL 391556) and an amendment to their Unit Plan of Operations (LOCI-08-007). UNOCAL proposes to store natural gas in the Beluga 71-3 Gas Sand below the surface of the ground within the Ivan River Unit utilizing an existing gas well, Ivan River 44-36, and support facilities located approximately 27 miles west of Point MacKenzie, Alaska. The storage area and partially depleted gas pool contains approximately 865 acres owned by the State of Alaska. All of the lands within the proposed storage area are subject to existing oil and gas leases within the Ivan River Unit, owned and operated by UNOCAL. The storage area is located in portions of the following lands:

T. 13 N., R. 8 W., Seward Meridian, Section 6,
T. 13 N., R. 9 W., Seward Meridian, Section 1,
T. 14 N., R. 8 W., Seward Meridian, Section 31,
T. 14 N., R. 9 W., Seward Meridian, Section 36.

The public is invited to comment on the issuance of the proposed gas storage lease and amended unit plan of operations to allow for gas storage, under AS 38.05.180, 11 AAC 83.300-395 and 11 AAC 83.500-520. Only persons who comment in writing during the public comment period will be eligible to file an administrative appeal or to request reconsideration of the final decision, AS 38.05.035(i). A copy of the final decision will be sent to any person who provides written comments.

This project is being reviewed for consistency with the Alaska Coastal Management Program (ACMP). Comments regarding consistency with any of the Mat-Su Borough Coastal Management District's enforceable policies or a state standard set out in 11 AAC 112 must be in writing and identify the relevant ACMP enforceable policy and explain how the project is not consistent with that policy. The ACMP is scheduled to sunset at 12:01 AM, Alaska Standard Time, on July 1, 2011. However, the ADNR will continue to process and review consistency reviews up until the repeal date.

The applications are available for review at the Division of Oil and Gas, Leasing Section, 550 West 7th Avenue, Suite 1100, Anchorage, or online at <http://www.dog.dnr.alaska.gov/AboutUs/PublicNotices.htm> .

To be considered, written comments must be submitted by postal mail, electronic mail (e-mail) or facsimile (fax) to:

Terry L. Peterson, Natural Resource Manager
Division of Oil and Gas
Alaska Department of Natural Resources
550 West 7th Avenue, Suite 1100
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and comments must be received on or before 4:30 p.m. on July 5, 2011.

FOR MORE INFORMATION CONTACT Wendy Woolf , Petroleum Land Manager, by phone (907) 269-8779, fax (907) 269-8943 or e-mail at wendy.woolf@alaska.gov .

The State of Alaska, ADNR, DO&G complies with Title II of the Americans with Disabilities Act 1990. This notice will be made available in alternative communication formats upon request. Please contact Terry Peterson (907) 269-8816 to make any necessary arrangements.