

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

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November 27, 2007

NOTICE OF SALE

ALASKA PENINSULA AREAWIDE 2008 NORTH SLOPE FOOTHILLS AREAWIDE 2008 COMPETITIVE OIL AND GAS LEASE SALES

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G), is offering state owned lands for competitive oil and gas leasing in Alaska Peninsula Areawide 2008 (AP) and North Slope Foothills Areawide (FH) 2008 Oil and Gas Lease Sales on February 27, 2008. Bid opening begins at 9:00 a.m. in Suite 240 of the Atwood Building, 550 W. 7th Ave, Anchorage. **Please note the time and location change.**

The Alaska Peninsula Areawide sale area is divided into 1,047 tracts ranging in size from 1,280 to 5,760 acres. The sale area encompasses onshore and offshore acreage that stretches from the Nushagak Peninsula in the north, down the north side of the Alaska Peninsula to just north of Cold Bay.

North Slope Foothills Areawide sale area is divided into 1,347 tracts ranging in size from 1,280 to 5,760 acres. The sale area lies between the Arctic National Wildlife Refuge (ANWR) and the National Petroleum Reserve – Alaska (NPRA). The northern boundary of the sale area is the Umiat Meridian baseline; the southern boundary is the Gates of the Arctic National Park and Preserve.

Alaska Peninsula Areawide 2008

Bidding Method:	Cash bonus bidding with a minimum bid of five dollars (\$5) per acre on all tracts.
Royalty Rate:	All leases will have a fixed royalty rate of twelve and one-half percent (12 1/2%).
Lease Term:	All leases will have an initial primary term of ten (10) years.

North Slope Foothills Areawide 2008

Bidding Method:Cash bonus bidding with a minimum bid of five dollars (\$5) per acre on all tracts.Royalty Rate:All leases will have a fixed royalty rate of twelve and one-half percent (12 1/2%).Lease Term:All leases will have an initial primary term of ten (10) years.

<u>Rental</u>

Annual rental on all state leases is \$1.00 per acre for the first year, \$1.50 per acre for the second year, \$2.00 per acre for the third year, \$2.50 per acre for the fourth year, and \$3.00 per acre for the fifth and following years.

Bidder Information

Complete details regarding these lease sales, including the sale announcements in their entirety, instructions to bidders, and regional tract maps are available on the division's website. If unable to access this information, contact Tim Jones by phone at (907) 269-8814; email at timothy.jones@alaska.gov. Printed copies of the regional tract maps will also be available for \$25 per set at the division's office. Sale announcements and regional tract maps are also available in the following locations:

Alaska Peninsula: Bristol Bay Middle/High School, King Cove School, Cold Bay School, Sand Point School, False Pass School, Nelson Lagoon School, Akutan School, Bristol Bay Borough offices, Lake and Peninsula Borough offices, Aleutians East Borough offices and Loussac Public Library in Anchorage.

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

North Slope Foothills: Nuiqsut Public Library, North Slope Borough Library Media Center, North Slope Borough offices, Tuzzy Consortium Library in Barrow, City of Barrow Municipal Offices, Anaktuvuk Pass Mayor's Office, Kaveolook School Library in Kaktovik and Loussac Public Library in Anchorage.

Decision of No Substantial New Information for North Slope Foothills Oil and Gas Lease Sale 2008.

The Commissioner of Natural Resources has issued a Decision of No Substantial New Information for the FH 2008 sale, which is available on the division's website and at the above-mentioned locations.

Decision of Substantial New Information and Supplement to the Alaska Peninsula Areawide Oil and Gas Lease Sale Best Interest Finding

The commissioner of the Department of Natural Resources has issued a Decision of Substantial New Information and a *Supplement to the Alaska Peninsula Areawide Oil and Gas Lease Sale Best Interest Finding* for the AP 2008 sale. These are available on the division's website and at the above locations.

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

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.

in R. Bailie

Kevin R. Banks Acting Director

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