

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

550 WEST 7TH AVENUE, SUITE 800 ANCHORAGE, ALASKA 99501 PHONE: (907) 269-8800 FAX: (907) 269-8938

September 24, 2002

SUPPLEMENTAL NOTICE

NORTH SLOPE & BEAUFORT SEA AREAWIDE 2002 COMPETITIVE OIL AND GAS LEASE SALES

- 1. SALE DATE has changed to OCTOBER 24.
- 2. BID ACCEPTANCE has been changed to OCTOBER 22.
- 3. Other Date Changes: All references to October 21 in the *Instruction to Bidders* should read as October 22, all references to October 23 should read as October 24, and all references to October 24 should read as October 25.
- 4. All locations and times in the Instruction to Bidders and Sale Announcement remain the same.
- 5. Tracts 917, 918, 921, 924 and 927 will remain in the North Slope Areawide Sale. The State of Alaska and the Arctic Slope Regional Corporation (ASRC) jointly own all of the subsurface interests in these tracts. This joint ownership arrangement is described in the "1991 Settlement Agreement Between Arctic Slope Regional Corporation and the State of Alaska." Under the terms of this agreement the State and ASRC have agreed to joint, undivided ownership of the leasable subsurface estate of certain lands near the village of Nuiqsut. The agreement establishes the specific percentages of ownership interest each party has in each section. The agreement also specifies that the State of Alaska has the executive right to lease the land for itself and ASRC. Should a lease covering these lands be executed, the State and ASRC will each manage their interests in the lease independently.
 - Tracts 917, 918, 921, 924 and 927 within NPRA are also subject to a 1997 consent agreement between ASRC and Kuukpik Corporation (Nuiqsut village). In that agreement, Kuukpik consented to oil and gas exploration and development activities with respect to these tracts. However, potential lessees are advised that they <u>will be required to enter into a surface use agreement with Kuukpik</u> before undertaking exploration and development activities with respect to these tracts. If a potential lessee does not negotiate a surface use agreement with Kuukpik before the Division awards leases under the NSA 2002 lease sale, the potential lessee may withdraw its bid. If a potential lessee withdraws its bid under these circumstances, the Division will refund the bid deposit to the potential lessee.
- 6. Tracts 925 and 936 will be deleted from the North Slope Areawide Sale. Acreage within these tracts has not been fully conveyed to the state.

Mark D. Myers Director

9124102 Supplemental Notice mailed to industry only.

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