

STATE OF ALASKA

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Department of Natural Resources

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Division of Oil and Gas

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SUPPLEMENTAL NOTICE

NORTH SLOPE AREAWIDE 2004 BEAUFORT SEA AREAWIDE 2004 COMPETITIVE OIL AND GAS LEASE SALES

The Department of Natural Resources, Division of Oil and Gas (DO&G), gave notice on July 29, 2004, under AS 38.05.945(a)(4), that it would offer lands for competitive leasing in North Slope Areawide 2004 (NSA 2004) and Beaufort Sea Areawide 2004 (BSA 2004) Oil and Gas Lease Sales. The sales will be held in Anchorage beginning 8:30 a.m., October 27, 2004, in the Loussac Public Library's Wilda Marston Theater, 3600 Denali Street. Instructions to Bidders were also issued on July 29, 2004.

The following Corrections and Modifications to the Sale Announcements, Tract Maps, and Instructions to Bidders have been made:

Correction to and Clarification of Tracts Deleted from NSA 2004

The Tract Deletions section in the Sale Announcement for NSA 2004 contained a typographical error. Tract 926 should have been Tract 936. Additionally, a portion of the unleased acreage within Tract 925 is fully conveyed under the State/ASRC Settlement Agreement. The revised Tract Deletions section is as follows:

Tract Deletions

DO&G has deleted Tracts 936, 1145 and 1146, from NSA 2004. The unleased acreage within these tracts is not fully conveyed under the State/ASRC Settlement Agreement.

Tract 925 appears to be comprised entirely of unleased acreage. However, Sections 25 & 36 have not been fully conveyed under the State/ASRC Settlement Agreement and that acreage, consequently, has been deleted from the sale. Sections 26 & 35 within Tract 925 are available in this sale.

DO&G is working to resolve these title issues in order to offer this acreage in future lease sales.

Note: The State reserves the right to delete any additional acreage or tract(s) from the sale at any time before the issuance of a lease.

Modification to Tract Acreage in Attachment A for NSA 2004 to the Instructions to Bidders

Attachment A to the Instructions to Bidders lists the acreage for Tract 925 for NSA 2004 as 2,560. The acreage for Tract 925 is changed to 1,280 for this sale.

Correction to Acreage Available in NSA 2004

The division issued lease notices contracting leases ADL 28255 and 390080. These lease notices were based upon Prudhoe Bay Unit actions taken prior to the July 6th deadline for title for this sale. Consequently, additional acreage within NSA 2004 Tract 1199, formerly within State of Alaska Oil & Gas Leases ADL 28255 and 390080, is available in this sale.

NSA 2004 Tract Map Revised and Available on Web

The NSA 2004 Regional Tract Map dated July 2004 did not accurately reflect the available acreage within Tract 1199. An updated map dated August 2004 has been posted to the division's website.

Special Note for BSA 2004

The United States Department of State has notified the State of Alaska that land within Tract 001 of the Beaufort Sea Areawide Lease Sale may be subject to a title dispute with the government of Canada. Potential bidders on Tract 001 should be prepared for possible delays in determining state title to lands within this tract if an acceptable bid is received for this tract.