

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

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NOTICE OF SALE

NORTH SLOPE AREA WIDE 2009 NORTH SLOPE FOOTHILLS AREA WIDE 2009 COMPETITIVE OIL AND GAS LEASE SALES

BEAUFORT SEA AREA WIDE 2009 POSTPONED

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G), will offer state lands for competitive oil and gas leasing in North Slope Areawide (NS) 2009 and North Slope Foothills Areawide (FH) 2009 oil and gas lease sales on **October 28, 2009**. **Bid opening will begin at 9:00 a.m.** at the Dena'ina Civic Convention Center, 600 W. 7th Avenue, Anchorage. Please note the new location.

The sale areas are divided into tracts ranging in size from 640 to 5,760 acres. NS has 1,225 tracts and FH has 1,347 tracts. NS lies between the Arctic National Wildlife Refuge (ANWR) and the National Petroleum Reserve – Alaska (NPR). The southern boundary of the NS sale area is the Umiat baseline. FH lies between the Arctic National Wildlife Refuge and the National Petroleum Reserve-Alaska, south of the Umiat Baseline to the Gates of the Arctic National Park and Preserve.

North Slope Areawide 2009

- Bidding Method:** Cash bonus bidding with a minimum bid of \$10 per acre on all tracts.
- Royalty Rate:** All tracts north of NS royalty line – a fixed royalty rate of sixteen and two-thirds percent (16.66667%).
All tracts south of NS royalty line – a fixed royalty rate of twelve and one-half percent (12.5%).
- Length of Lease:** All tracts north of NS royalty line – seven (7) years.
All tracts south of NS royalty line – ten (10) years.

North Slope Foothills Areawide 2009

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

Rental

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's Information

Complete details regarding these lease sales, including the sale announcements in their entirety, regional tract maps, instructions to bidders, tract deletions and tract deferrals are available on the division's website at <http://www.dog.dnr.state.ak.us>. The regional tract maps and sale related documents for NS 2009 and FH 2009 are also available in the following libraries and government offices: 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, and DO&G offices.

If unable to access this information, contact Jennifer Haines at (907) 375-8247, or email jennifer.haines@alaska.gov. Copies of the regional tract maps will also be available at the division's office for \$25 per set.

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

Decisions of Substantial New Information for NS 2009 and FH 2009

On March 3, 2009, DO&G issued a Call for New Information for NS 2009 and FH 2009 Oil and Gas Lease Sale. DO&G requested any new information subsequent to the publication of the North Slope best interest findings issued on July 15, 2008 and the North Slope Foothills 2001 finding and 2002 supplement. Based upon the information received in response to the 2009 call for new information, ADNRR has issued a Decision of No Substantial New Information, which is available on DO&G's website and at the locations listed under Sale Information below.

Americans with Disabilities Act

The State of Alaska, DNR, DO&G complies with Title II of the Americans with Disabilities Act 1990. This publication will be made available in alternative communication formats upon request. Please contact Jennifer Haines, (907) 375-8247, or email jennifer.haines@alaska.gov to make any necessary arrangements.



Kevin R. Banks,
Director