

STATE OF ALASKA

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DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL AND GAS

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January 31, 2002

NOTICE OF SALES

NORTH SLOPE FOOTHILLS AREA WIDE 2002 COOK INLET AREA WIDE 2002

COMPETITIVE OIL AND GAS LEASE SALES

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G), will offer lands for competitive oil and gas leasing in North Slope Foothills Areawide 2002 and Cook Inlet Areawide 2002 Oil and Gas Lease Sales on May 1, 2002. Bid opening begins at 8:30 a.m. in the Wilda Marston Theater, in the Loussac Public Library, 3600 Denali St., in Anchorage.

North Slope Foothills Areawide encompasses approximately 7.65 million acres, divided into 1,347 tracts ranging in size from 1,920 to 5,760 acres. The sale area lies between the Arctic National Wildlife Refuge (ANWR) and the National Petroleum Reserve – Alaska (NPR), south of the Umiat Meridian Baseline to the Gates of the Arctic National Park and Preserve. Cook Inlet Areawide covers approximately 4 million acres, divided into 815 tracts ranging in size from 640 to 5,760 acres. The sale area is bounded by the cities of Houston in the North and Homer in the South, and the Chugach and Kenai Mountains in the East and the Aleutian Range in the West.

North Slope Foothills Areawide 2002

Bidding Method: Cash bonus bidding with a minimum bid of five dollars (\$5) per acre on all tracts.

Royalty Rate: Leases for all tracts will have a fixed royalty rate of twelve and one-half percent (12.5%).

Term of Lease: All leases will have a term of ten (10) years.

Cook Inlet Areawide 2002

Bidding Method: Cash bonus bidding with a minimum bid of five dollars (\$5) per acre on all tracts.

Royalty Rate: Leases for all tracts will have a fixed royalty rate of twelve and one-half percent (12.5%).

Term of Lease: All leases will have a term of seven (7) years.

Rental

Annual rental on all 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, instructions to bidders, tract deletions/deferrals, and regional tract maps are available on the division's website: www.dog.dnr.state.ak.us/oil. If unable to access this information, contact Suzanne Gaguzis, (907) 269-8803, email at msg@dnr.state.ak.us. The sale announcements and regional tract maps for North Slope Foothills Areawide 2002 are available at the Division of Oil and Gas and in the following locations: Anaktuvuk Pass

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

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

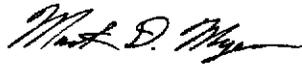
The sale announcements and regional tract maps for Cook Inlet Areawide 2002 are available at the Division of Oil and Gas and in the following locations: the public libraries in Palmer, Wasilla, Kenai, Ninilchik, Homer, Soldotna, Anchor Point, and Seldovia; the Lousacc Public Library in Anchorage; the Matanuska-Susitna Borough Planning Department Offices in Palmer; the Kenai Peninsula Borough Planning Department Offices in Soldotna; and the Municipal Clerk's Office of the Municipality of Anchorage.

Decisions

The Commissioner of Natural Resources has issued a *Decision of No New Information* for the Cook Inlet lease sale. In order to clarify two mitigation measures developed for the Foothills area, ADNRR has issued a *Decision to Supplement* and a supplement to the North Slope Foothills Areawide Best Interest Finding. These decisions and supplement are available on the division's website and at the appropriate above-mentioned locations.

Americans with Disabilities Act Compliance

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 Suzanne Gaguzis at (907) 269-8803 to make any necessary arrangements.



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