



June 29, 2021

CALL FOR PUBLIC COMMENTS AND COMPETING PROPOSALS

Proposed Geothermal Exploration Augustine Island

The Alaska Department of Natural Resources (DNR), Division of Oil and Gas (DO&G) is issuing a Call for Public Comments and Competing Proposals for geothermal exploration. Pursuant to AS 38.05.181 and the regulations promulgated thereunder, the DO&G is requesting applications for proposed geothermal exploration on and around Augustine Island in Cook Inlet.

The area included in this Call for Comments and Competing Proposals consists of the entire Augustine Island, including some tidelands and adjacent waters within approximately 3 miles of the island, and excludes nearshore tidelands of the mainland to the west. The area contains about 65,992 acres divided into 26 tracts, ranging from 2,489 to 2,560 acres. The state owns the land within the proposed disposal area, and Augustine Island is entirely located within the Kenai Peninsula Borough. The proposed geothermal exploration area lies within T. 9 & 10 S., R. 24, 25, & 26 W., Seward Meridian (See attached map).

This Call for Comments and Competing Proposals will initiate the process to allow exploration for geothermal resources, which could result in a disposal, by either a geothermal prospecting permit or a geothermal lease. This Call for Comments and Competing Proposals does not constitute a final decision by the commissioner to dispose of the geothermal interest in state land; rather any disposal of geothermal resources will be preceded by a determination under AS 38.05.035(e) that the disposal is in the best interest of the state.

Applications will be considered for the tracts depicted on the enclosed map. Application forms can be found on the DO&G website at <http://dog.dnr.alaska.gov/Services/Applications>. Before applications can be accepted, applicants must prequalify by submitting to DO&G a statement of qualifications as required by 11 AAC 82.200 through 11 AAC 82.205. The qualifications forms are available on the DO&G website at the link provided above. A certified check or money order payable to the Department of Natural Resources, State of Alaska, covering a non-refundable filing fee of \$200.00 is also required as part of the application.

Following the 30-day Call for Comments and Competing Proposals, the commissioner will determine if the disposal is in the state's best interest. If the disposal is found to be in the state's best interest the commissioner will determine whether to proceed with a competitive geothermal lease sale, issue one or more non-competitive prospecting permits, or cancel the offering. Applicants and the public will be notified of the department's analysis and decision regarding this proposed geothermal offering.

Pursuant to AS 38.05.181 and 11 AAC 84.700-790, all prospecting permits and geothermal leases are subject to an annual rental of \$3.00 per acre. Tracts may contain no more than 2,560 acres. A person may not own or hold an interest in geothermal leases covering more than 51,200 acres, except that leases in commercial production do not count against the acreage limitation.

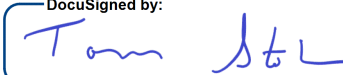
Non-competitive prospecting permits are issued for a primary term of two years and may be renewed for an additional year. A geothermal prospecting permittee may convert the permit to a non-competitive geothermal lease upon compliance with AS 38.05.181(c) and 11 AAC 84.740. Competitive geothermal leases are issued for a primary term of 10 years. Geothermal leases may be renewed for an additional term of five years if the lessee is actively engaged in drilling operations.

Application forms may be submitted by mail to the
Leasing Section, Department of Natural Resources, Division of Oil and Gas,
550 W. 7th Ave., Ste. 1100,
Anchorage, Alaska 99501-3560.

Alternatively, applications may be submitted by email to dog.geothermal@alaska.gov.
Public Comments and completed applications must be received no later than 5:00 p.m, Alaska Standard Time on July 30, 2021.

For additional information regarding the Call for Comments and Competing Proposals, qualification or the application process, please visit the DO&G web site at <http://dog.dnr.alaska.gov/> or contact the Leasing Section at dog.geothermal@alaska.gov or (907) 269.8800. The department 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 DO&G to make any necessary arrangements.

Sincerely,

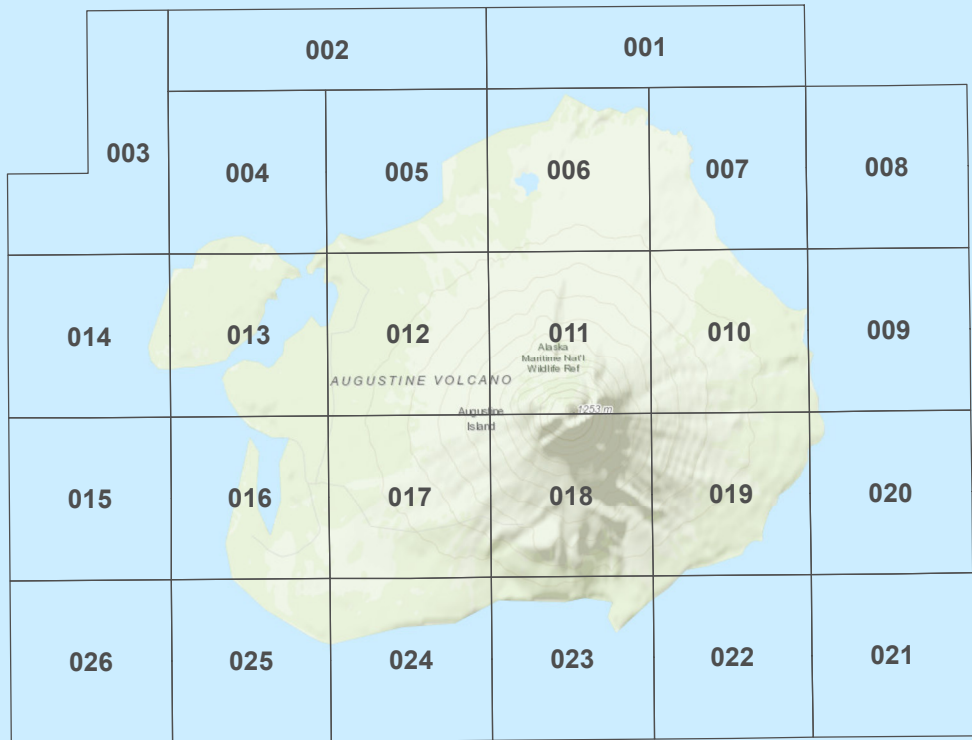
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Tom Stokes
Director


Augustine Island Geothermal Exploration Solicitation Area

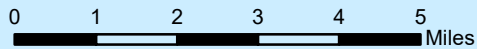


Ursus Cove



Cook Inlet

 Augustine Island Tracts



Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community