

State of Alaska Oil and Gas Lease Sales

North Slope Areawide 2006

Beaufort Sea Areawide 2006

Call for New Information
August 16, 2005

Alaska Department of Natural Resources
Division of Oil and Gas

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G), requests substantial new information regarding its proposal to offer all available state acreage in two areawide oil and gas lease sales: North Slope Areawide 2006 and Beaufort Sea Areawide 2006. These sales were originally scheduled for October 2005, and have been rescheduled for February 2006.

Through this request for new information, DO&G provides an opportunity for interested parties to submit to the division new information that has become available since the issuance of the final best interest finding for these two sales. The North Slope Areawide final best interest finding was issued on March 17, 1998 and the Beaufort Sea Areawide final best interest finding was issued on July 15, 1999. A supplement to both findings was issued in August 2000 and a second supplement to the North Slope finding was issued in July 2002. When commenting, please submit separate comments specific to each sale. If comments were submitted during the *Call for New Information* for North Slope Areawide 2005 and Beaufort Sea Areawide 2005, from February 24, 2005 through April 29, 2005, those comments and information will be considered during this *Call for New Information*, and do not need to be submitted again. ADNR will issue either a supplement to the best interest finding or a decision of no new information for each sale.

What is a Call for New Information?

Approximately six to eight months before a sale, ADNR issues a request for substantial new information that has become available since the most recent finding for that sale area was written. This request is sent to agencies and individuals on the division's mailing list. Agencies and the public are given 30-60 days in which to provide any new information. Based on information received, ADNR will determine whether there is "substantial new information" which justifies a supplement to the finding. A supplement to the finding or a decision of no new information will be issued 90 days prior to the sale. Any person that has commented during the prescribed time will have the reconsideration and appeal rights as described in AS 38.05.035. For the North Slope Areawide 2006 and Beaufort Sea Areawide 2006 sales, comments submitted during two comment periods will be considered: 1) those submitted for the North Slope Areawide 2005 and Beaufort Sea Areawide 2005 sales between February 24 and April 29, 2005; and 2) those submitted during this comment period, from August 16 through September 30, 2005.

North Slope Areawide 2005 Beaufort Sea Areawide 2005	Open	Closed
Call for New Information	2/24/05	4/29/05
North Slope Areawide 2006 Beaufort Sea Areawide 2006	Open	Closed
Call for New Information	8/16/05	9/30/05
Supplement to the best interest finding or decision of no new information	November 2005	
Proposed Sale	February 2006	

The Division is requesting new information concerning:

- Fish and wildlife;
- Current and projected uses of the proposed sale area, including subsistence and recreation;
- Potential geophysical hazards within the proposed sale area;
- Archaeological sites and historic places;
- Characteristics of local communities within the proposed sale area;
- Air and water quality;
- Reasonably foreseeable effects of oil and gas exploration, development, production, and transportation on subsistence and other uses, on municipalities and communities, and on the environment.

Alaska's Leasing Program

Alaska's leasing program allows the division to produce and then supplement, as necessary, a best interest finding for a specified region. After an annual request for new information, the division may proceed with a sale that offers all unleased state acreage. The result is a predictable, stable, leasing program, which allows a thorough, region-wide analysis of issues. It also allows industry to plan their exploration strategy years in advance, eliminating confusing overlapping sales, and increases government efficiency while still allowing annual public comment.

Mitigation measures developed in the first North Slope and Beaufort Sea Areawide best interest findings will be carried on leases sold during the 10-year life of the findings unless, as a result of new information, ADNR deems it necessary to change some of the measures, or add additional ones. These sales must be consistent with North Slope Borough Coastal Management Plan and the Alaska Coastal Management Plan. A consistency analysis was prepared for each sale when the original best interest finding was issued. A new coastal management consistency review is done whenever the commissioner determines that new information or conditions suggest the proposed lease sale may no longer be consistent with ACMP standards.

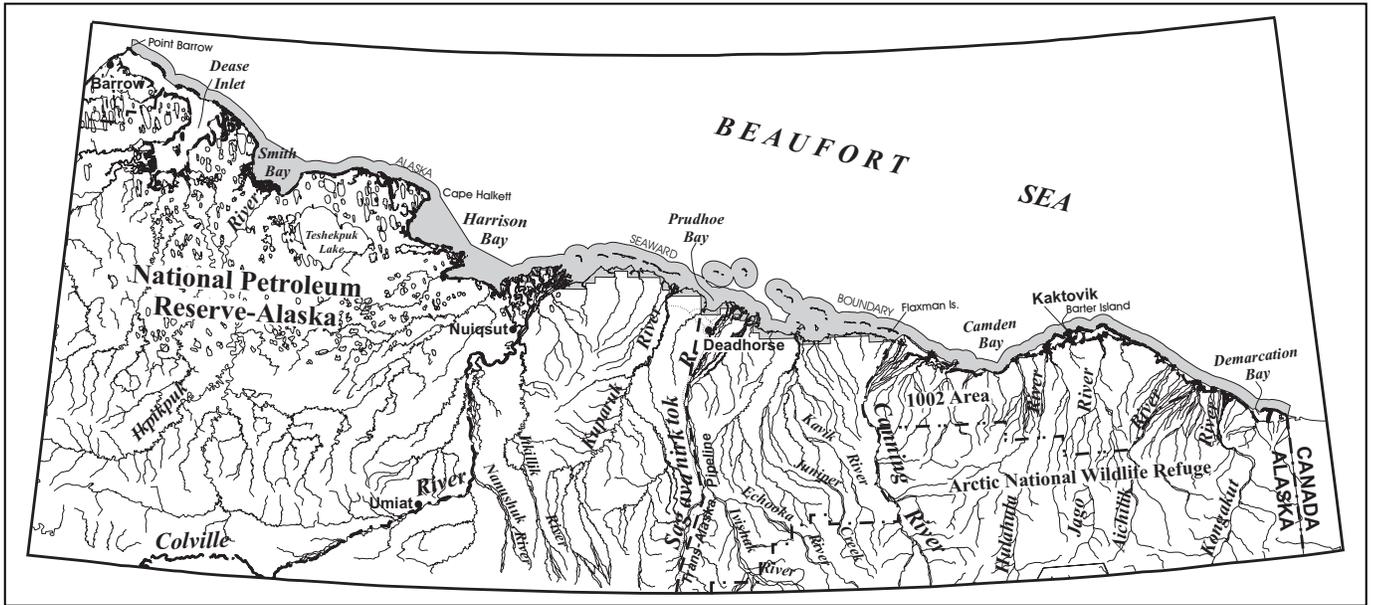
What is a Best Interest Finding?

Under Alaska state law an ADNR director may not dispose of state land, resources, property, or interests unless the director first determines in a written finding that such action will serve the best interests of the state (AS 38.05.035(e)). This is a written analysis, which describes facts and relevant laws pertaining to the sale area. A best interest finding is in effect for up to 10 years. The North Slope and Beaufort Sea Areawide best interest findings and supplements are available on the division's website at:

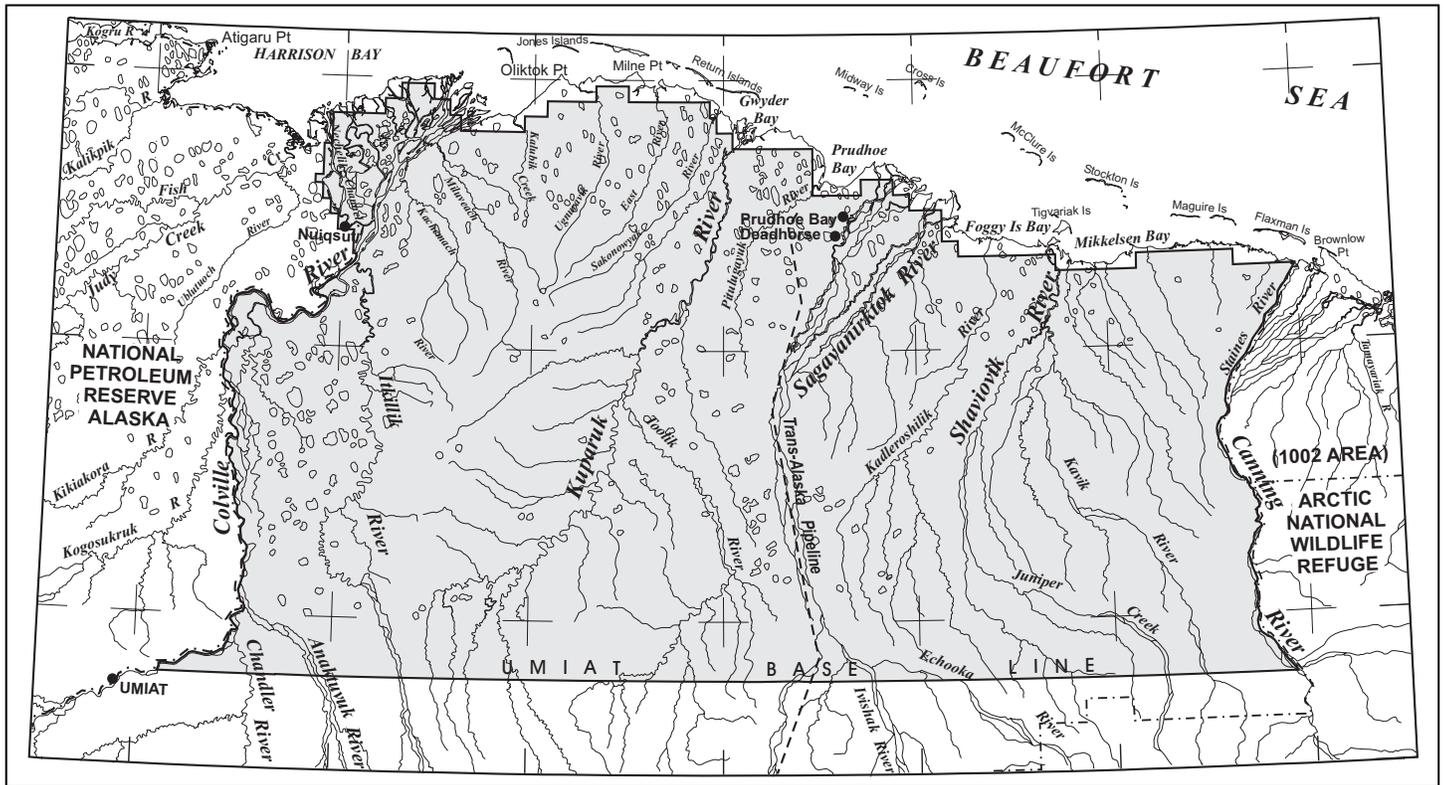
- <http://www.dog.dnr.state.ak.us>

The proposed North Slope Areawide Sale encompasses a gross area of approximately 5.1 million acres divided into 1,225 tracts. The proposed Beaufort Sea Areawide Sale encompasses a gross area of approximately 2 million acres divided into 516 tracts. Only selected tracts of which the state owns all or part of the subsurface mineral estate may be offered. Acreage not owned by the state, already subject to an oil and gas lease, clouded by title claims, or withdrawn through a court order will be excluded from the sale. Only those lands free and unencumbered will be included in any lease issued.

A person is eligible to file a request for reconsideration of a decision regarding leasing and an appeal to the Superior Court only if the person has meaningfully participated in the process by either submitting written comment during any period for public comment or has presented oral testimony at a public hearing (AS 38.05.035).



Proposed Beaufort Sea Areawide 2006 Oil and Gas Lease Sale



Proposed North Slope Areawide 2006 Oil and Gas Lease Sale

When providing information, please be as specific as possible. For example, if your information is from a published study, please provide a copy of the study or a complete citation, so that DO&G staff can obtain a copy for analysis. Please submit separate information specific to each sale.

New information must be submitted to the following address:

Jonne Slemons, Permitting Manager
Division of Oil & Gas
550 W 7th Ave., Suite 800
Anchorage, Alaska 99501

By Fax: 907-269-3484
By email: jonne_slemons@dnr.state.ak.us

This comment period begins August 16 and ends September 30, 2005.
Please submit separate information specific to each sale.

**Department of Natural Resources
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