

STATE OF ALASKA

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DEPARTMENT OF NATURAL RESOURCES
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November 21, 2006

**Decision of No Substantial New Information
Alaska Peninsula Areawide 2007**

The Alaska Peninsula Areawide 2007 Oil and Gas Lease Sale is scheduled for February 28, 2007. Under AS 38.05.035(e)(6)(F), a written finding is not required for an oil and gas lease sale of acreage that was subject to a best interest finding within the previous 10 years unless the commissioner determines that substantial new information has become available that justifies a supplement to the most recent best interest finding for an exempt oil and gas lease sale acreage. The Alaska Peninsula Areawide 2007 re-offer sale is subject to the written best interest finding issued July 25, 2005.

On June 28, 2006 the Division of Oil and Gas (DO&G) issued a Call for New Information requesting any substantial new information regarding DO&G's proposal to re-offer for lease, in the Alaska Peninsula Areawide 2007 Oil and Gas Lease Sale, tracts that were available following the Alaska Peninsula Areawide 2005 lease sale. DO&G received two comments in response to the Call for New Information:

1) The Office of Habitat Management and Permitting (OHMP), Department of Natural Resources informed DO&G that the *Atlas and Catalog of Waters Important for Spawning, Rearing, or Migration of Anadromous Fishes* has been revised effective March 1, 2006 and includes several streams in addition to those referenced in Appendix E of the best interest finding.

2) Paug-Vik Inc., Ltd (PVIL), a Native Corporation based in Naknek, stated that while it is encouraged by oil and gas industry interest, it is concerned with environmental safety in the area. PVIL's strong preference is for shore-based oil and gas drilling and PVIL requests regular industry briefings.

The Department of Natural Resources has carefully considered the comments received in response to the Call for New Information and finds that the information provided does not rise to the level of substantial new information that requires a supplement to the Best Interest Finding. An individual response was provided to PVIL, explaining in more detail why their information did not require a supplement to the best interest finding. That response is available upon request.

A person who is aggrieved by this decision may request the Commissioner to reconsider the decision under AS 38.05.035(i) and (j). To be eligible, an appellant must have meaningfully participated in the process by submitting written comments during the prescribed comment period. A request for reconsideration must be received by the Commissioner, Department of Natural Resources, 550 W 7th Ave, Suite 1400, Anchorage, Alaska 99501; received by fax at 1-907-269-8918; or sent by email to dnr_appeals@dnr.state.ak.us by 5:00 p.m. (local time), December 12, 2006. If the Commissioner fails to act on the request for reconsideration by December 22, 2006, the request is considered denied.


Michael Menge
Commissioner

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