

# State of Alaska Oil and Gas Lease Sales

## *Beaufort Sea Areawide 2008*

Call for New Information  
February 25, 2008

Alaska Department of Natural Resources  
Division of Oil and Gas

The Alaska Department of Natural Resources (ADNR), Division of Oil and Gas (DO&G), is requesting new information regarding its proposal to offer all available state acreage in the Beaufort Sea Areawide 2008 oil and gas lease sale. Through this request for new information, DO&G provides an opportunity for interested parties to submit new information to DO&G that has become available since the issuance of the most recent best interest finding for this area. The original Beaufort Sea Areawide final best interest finding was issued on July 15, 1999. A supplement to this finding was issued in August 2000. These documents are available on DO&G's website: [www.dog.dnr.state.ak.us](http://www.dog.dnr.state.ak.us). ADNR will either issue a supplement to the finding or a decision of no substantial new information for this sale.

### What is a Call for New Information?

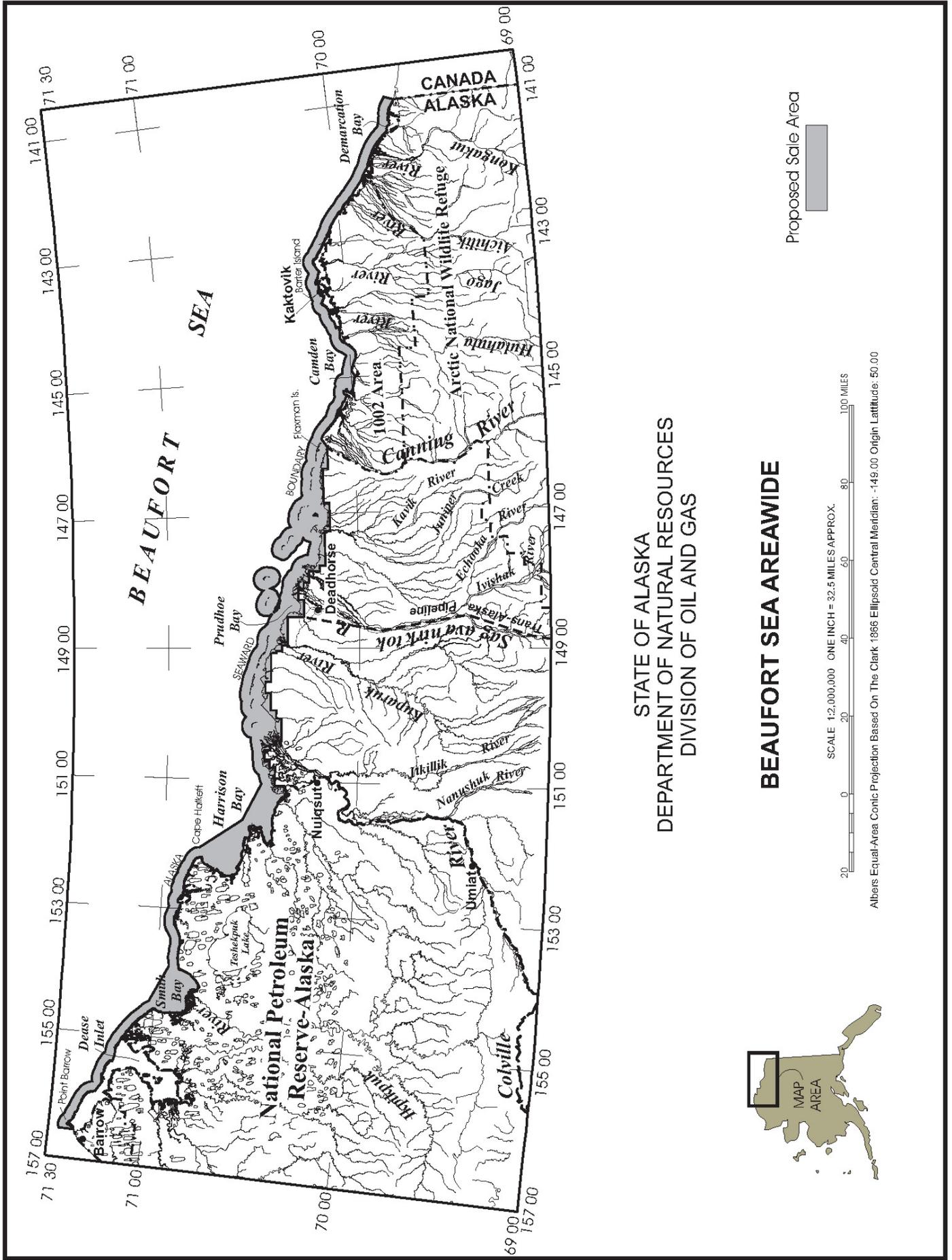
Before an oil and gas lease sale, ADNR issues a call for new information that has become available since the most recent best interest finding for the sale area. Agencies and the public are given an opportunity for comment. Based on the comments received, ADNR will determine whether there is "substantial new information" that justifies a supplement to the finding. Either a supplement to the finding, or a "decision of no substantial new information," will be issued not later than 90 days before the sale. Any person that has commented during the comment period will have the reconsideration and appeal rights as described in AS 38.05.035.

Beaufort Sea Areawide 2008	opens	closes
Call for New Information	2/25/08	4/29/08
Supplement to the best interest finding or decision of no substantial new information	July 2008	
Proposed Sale	October 2008	

Mitigation measures developed in the first 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 substantial new information, ADNR deems it necessary to change or add measures through a supplement to the finding. 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.

#### **DO&G is requesting new information concerning:**

- fish and wildlife species and their habitats in the area;
- current and projected uses in the area, including uses and value of fish and wildlife such as subsistence and recreation;
- potential geophysical hazards within the proposed sale area;
- reasonably foreseeable cumulative effects of exploration, development, production, and transportation for oil and gas on the sale area, including effects on subsistence uses, fish and wildlife habitat and populations and their uses, and historic and cultural resources;
- lease stipulations and mitigation measures, including any measures to prevent and mitigate releases of oil and hazardous substances, to be included in the leases, and a discussion of the protections offered by these measures;
- reasonably foreseeable fiscal effects of the lease sale and the subsequent activity on the state and affected municipalities and communities, including the explicit and implicit subsidies associated with the lease sale, if any;
- air and water quality;
- reasonably foreseeable effects of exploration, development, production, and transportation involving oil and gas on municipalities and communities within or adjacent to the lease sale area.



# Alaska's Oil and Gas Lease Sale Program

Alaska's oil and gas lease sale program allows DO&G to produce and then supplement, as necessary, a best interest finding for a specified geographic region of the state. Once a best interest finding for an area is written, ADNDR can conduct lease sales in that area for up to ten years without having to issue a new finding for each sale provided that before each subsequent sale, ADNDR solicits new information and makes a determination whether substantial new information has become available that justifies a supplement to the most recent best interest finding (AS 38.05.180(w)). Following a decision of either no substantial new information or a decision to supplement, the division may proceed with a lease sale that offers all available state acreage within that region. The result is a predictable and stable leasing program, which allows a thorough, region-wide analysis of issues. It allows industry to plan its exploration strategy years in advance, increases government efficiency, and allows annual information updates and public comments.

## What is a Best Interest Finding?

Under Alaska state law, the commissioner may not dispose of state land, resources, property, or interests in them unless the commissioner first determines in a written finding that the interests of the state will be best served (AS 38.05.035(e)). A best interest finding for an oil and gas lease sale is a written analysis that describes facts and relevant laws pertaining to the proposed sale area and discusses the potential effects of oil and gas exploration, development, production and transportation. It also contains mitigation measures to be imposed on leases and plans of operation that are designed to reduce or eliminate negative effects. A best interest finding for an exempt oil and gas lease sale is in effect for up to 10 years.

The Beaufort Sea Areawide sale area encompasses a gross area of approximately 2 million acres of state tide and submerged lands lying between the US/Canada border and Point Barrow and includes some uplands. The sale area is divided into 516 tracts. Only selected tracts of which the state owns all or part of the mineral estate may be offered for leasing. Acreage not owned by the state, already subject to an oil and gas lease, clouded by title claims, or withdrawn by court order will be excluded from the sale. Only those lands free and unencumbered will be included in any lease issued. The Beaufort Sea Areawide Oil and Gas Lease Sale best interest findings and supplements are available on DOG's website at:

- <http://www.dog.dnr.state.ak.us/oil/products/publications/beaufortsea/beaufortsea.htm>

A person is eligible to file a request for the commissioner's reconsideration of a decision and file any subsequent appeal to the Superior Court only if the person has meaningfully participated in the process by either submitting written comment during the period for receipt of public comment or has presented oral testimony at a public hearing, if a public hearing was held, and is affected by the final written finding (AS 38.05.035(i)).

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 only information specific to this sale.

**To be considered, new information must be submitted to the following address and be received by the deadline:**

Greg Curney, Natural Resource Specialist  
Division of Oil & Gas  
550 W 7<sup>th</sup> Ave., Suite 800  
Anchorage, Alaska 99501-3560

By Fax: 907-269-8943  
By email: [greg.curney@alaska.gov](mailto:greg.curney@alaska.gov)

The comment period ends April 29, 2008.  
Please submit only information specific to this sale.

**Department of Natural Resources  
Division of Oil and Gas  
550 West 7th Avenue, Suite 800  
Anchorage AK 99501-3510**