

Department of Natural Resources

DIVISION OF OIL & GAS

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October 13, 2023

NOTICE OF SALE ALASKA PENINSULA AREAWIDE 2023, BEAUFORT SEA AREAWIDE 2023W, COOK INLET AREAWIDE 2023, NORTH SLOPE AREAWIDE 2023W, and NORTH SLOPE FOOTHILLS AREAWIDE 2023 COMPETITIVE OIL AND GAS LEASE SALES

The Alaska Department of Natural Resources (DNR), Division of Oil and Gas (DO&G), is giving notice pursuant to AS 38.05.945(a)(4) that it is offering State lands for competitive oil and gas leasing in the Alaska Peninsula Areawide 2023 (APA 2023), the Beaufort Sea Areawide 2023W (BSA 2023W), the Cook Inlet Areawide 2023 (CIA 2023), North Slope Areawide 2023W (NSA 2023W), and the North Slope Foothills Areawide 2023 (FHA 2023) Competitive Oil and Gas Lease Sales. This notice is available on the State of Alaska Online Public Notice System at https://aws.state.ak.us/OnlinePublicNotices.

Bidding Method

The bid method for the APA 2023, BSA 2023W, NSA 2023W, and FHA 2023 sales will be cash bonus with fixed royalty. The bid method for the CIA 2023 sale will be net profit share bidding with fixed cash bonus. The sales will be conducted by sealed bid auction. DO&G has contracted with EnergyNet Services, LLC (EnergyNet) to provide an online bidding system for this sale. Bidder registration and bid submission will be on the EnergyNet Government Listings site at https://www.energynet.com.

Sale Dates

All times listed are Anchorage, Alaska Local Time.

- First day to submit bids with EnergyNet Monday, November 20, 2023
- Deadline to submit bids with EnergyNet Thursday, December 7, 2023, at 12:00 p.m.
- Bidding results available to the public online at https://dog.dnr.alaska.gov Wednesday, December 13, 2023, at 9:00 a.m.

Areawide Lease Sale Locations

The Alaska Peninsula Areawide includes approximately 5.0 million acres of state-owned land in 1,004 tracts, ranging in size from 1,280 to 5,760 acres. The sale area encompasses onshore and offshore acreage that extends from the Nushagak Peninsula in the north then along the west side of the Alaska Peninsula to just north of Cold Bay. Portions of these tracts are located within the

Bristol Bay Borough, the Lake and Peninsula Borough, the Aleutians East Borough, or the Dillingham Census Area.

The Cook Inlet Areawide includes approximately 3.3 million acres of state-owned land in 832 tracts, ranging in size from 640 to 5,760 acres. The sale area encompasses onshore and offshore acreage that extends from Wasilla in the north to Anchor Point in the southeast, then along Alaska's Submerged Lands Act boundary in Cook Inlet to the Iniskin Peninsula on the Alaska Peninsula and north toward the Susitna Valley. Portions of the tracts are located within the Kenai Peninsula Borough, the Matanuska – Susitna Borough, or the Municipality of Anchorage.

The Beaufort Sea Areawide includes approximately 1.7 million acres of state-owned land in 570 tracts ranging in size from 530 to 5,760 acres. The sale area encompasses primarily offshore acreage that extends from the Canadian border in the east to Point Barrow in the west. The northern boundary is along the federal Alaska Outer Continental Shelf. The southern boundary is along the North Slope Areawide and includes onshore acreage between the Arctic National Wildlife Refuge (ANWR) and the National Petroleum Reserve Alaska (NPR A). The Areawide is in the North Slope Borough.

The North Slope Areawide includes approximately 5.0 million acres of state-owned land in 3,121 tracts, ranging in size from 160 to 5,760 acres. The sale area encompasses primarily onshore acreage between the Canning River and ANWR on the east and the Colville River and NPR-A on the west. The northern boundary is along the Beaufort Sea Areawide. The southern boundary is along the Umiat Meridian baseline. Some tracts are jointly owned by the State of Alaska and Arctic Slope Regional Corporation (ASRC). The Areawide is in the North Slope Borough.

The North Slope Foothills Areawide includes approximately 4.3 million acres of state-owned land in 818 tracts, ranging in size from 240 to 5,760 acres. The sale area encompasses onshore acreage between ANWR on the east and NPR-A on the west. The northern boundary is along the Umiat Meridian baseline, and the southern boundary is the Gates of the Arctic National Park and Preserve. The areawide is in the North Slope Borough.

Sale Documents

Complete details regarding these lease sales are on the DO&G website at https://dog.dnr.alaska.gov/LeaseSale. Sale documents include this Notice of Sale, Sale Announcement and Instructions to Bidders, Areawide Sale Information, Attachment A with Estimated Acreages and deferred tracts, lease forms, mitigation measures, and tract map.

Please call (907) 269-8800 or email <u>dog.leasing@alaska.gov</u>. if you are unable to access sale information. Subscribe to leasing email announcements at https://list.state.ak.us/mailman/listinfo/DOG.Leasing.

Sale Terms and Conditions

Alaska Peninsula Areawide 2023 Terms and Conditions							
Lease Sale Tracts	Bid Variable	Minimum Bid	Royalty Rate	Primary Lease Term	Annual Rental Rate	Lease Form	
All APA 2023 Tracts	Cash Bonus	\$5.00 per acre	12.5% Fixed	10 Years	Year 1: \$1.00 per acre Year 2: \$1.50 per acre Year 3: \$2.00 per acre Year 4: \$2.50 per acre Years 5-10: \$3.00 per acre	DOG 202104	

Beaufort Sea Areawide 2023W Terms and Conditions						
Lease Sale Tracts	Bid Variable	Minimum Bid	Royalty Rate	Primary Lease Term	Annual Rental Rate	Lease Form
All BSA 2023W Tracts	Cash Bonus	\$25.00 per acre	16.66667% Fixed	10 Years	Years 1 – 10: \$10.00 per acre	DOG 201912W

Cook Inlet Areawide 2023 Terms and Conditions							
Lease Sale Tracts	Bid Variable	Minimum Bid	Per Acre Cash Bonus	Primary Lease Term	Annual Rental Rate	Lease Form	
All CIA 2023 Tracts	Net Profit Share	5.00%	\$40.00 per acre Fixed	5 Years*	Year 4: \$2.50 per acre Year 5: \$3.00 per acre	DOG 202309 NPS	
*State oil and gas leases may receive a one-time lease extension under certain conditions. AS 38.05.180(m)							

North Slope Areawide 2023W Terms and Conditions							
Lease Sale Tracts	Bid Variable	Minimum Bid	Royalty Rate	Primary Lease Term	Annual Rental Rate	Lease Form	
State/ASRC Tracts	Cash Bonus	\$25.00 per acre	16.66667% Fixed	10 Years	Years 1 – 10: \$10.00 per acre	DOG 202007W AS	
North Sub-Region Tracts	Cash Bonus	\$25.00 per acre	16.66667% Fixed	10 Years	Years 1 – 10: \$10.00 per acre	DOG 201912W	
South Sub-Region Tracts	Cash Bonus	\$25.00 per acre	12.5% Fixed	10 Years	Years 1 – 10: \$10.00 per acre	DOG 201912W	

North Slope Foothills Areawide 2023 Terms and Conditions							
Lease Sale Tracts	Bid Variable	Minimum Bid	Royalty Rate	Primary Lease Term	Annual Rental Rate	Lease Form	
All FHA 2023 Tracts	Cash Bonus	\$5.00 per acre	12.5% Fixed	10 Years	Year 1: \$1.00 per acre Year 2: \$1.50 per acre Year 3: \$2.00 per acre Year 4: \$2.50 per acre Years 5-10: \$3.00 per acre	DOG 202104	

Deferred lease sale tracts are listed on Attachment A of the Areawide Sale Information and will not be listed with EnergyNet. Check https://dog.dnr.alaska.gov/LeaseSale for updated Attachment A documents.

Best Interest Findings to Offer Oil and Gas Leases in Areawide Sales

These lease sales are being held according to AS 38.05.035(e) and AS 38.05.180. Under these statutes, land that is subject to a best interest finding issued within the previous 10 years may be offered for oil and gas leasing. The finding sets forth the facts, policies, and applicable laws and regulations upon which the Director based the determination that oil and gas lease sales in an Areawide sale will best serve the interests of the State. Every year, the Director makes a request for substantial new information that may justify a supplement to the finding and issues a response to information received. Best interest finding documents and supplements for these sales can be found on the DO&G website at https://dog.dnr.alaska.gov/LeaseSale. If you are unable to access this information, call the Leasing Section at (907) 269-8800 or email dog.bif@alaska.gov.

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 an alternative communication format upon request. Please call (907) 269-8800 or email dog.leasing@alaska.gov to make any necessary arrangements.