

**STATE OF ALASKA
DEPARTMENT OF NATURAL RESOURCES**

Division of Mining, Land and Water

NOTICE OF DECISION

**PARTIAL RELEASE OF STATE INTEREST
State Selection Files: GS-3386**

RELINQUISHMENT OF CERTAIN STATE-SELECTED LANDS

*AS 38.05.035(a)(11), AS 38.05.035(e),
Consolidated Appropriations Act for Fiscal Year 2023 (Pub. L. 117-328)
and the University of Alaska Fiscal Foundation Act*

I. ACTION

Proposed relinquishment of State of Alaska (State) land selections on certain lands. The purpose of relinquishment is to facilitate University of Alaska (UA) land selections under the University of Alaska Fiscal Foundation Act. The University of Alaska Fiscal Foundation Act was included in the federal Consolidated Appropriations Act for Fiscal Year 2023 (Pub. L. 117-328) (CAA 2023).

II. AUTHORITY

The CAA 2023 provides that the Bureau of Land Management (BLM) may convey up to 360,000 acres of land selected by the State of Alaska (State-selected land) pursuant to Section 6(b) of the Alaska Statehood Act (Pub. L. 85-508) to the University of Alaska. Additional information about the Fiscal Foundation Act can be found at:

<https://www.alaska.edu/ualand/about/land-grant/index.php>.

The federal authority to relinquish Statehood Act selections in favor of the UA is codified in Sec. 302(c) of the CAA 2023. The provisions of Alaska Statute (AS) 38.05.035(a)(11) allow the Director of the Division of Mining, Land and Water (DMLW) to manage Statehood Entitlement selections. AS 38.05.035(e) provides authority for disposals of lands, resources, property, or interests in them. Article XIII of the Alaska Constitution provides guiding principles for maximum use of state lands and resources and authority for disposals of interests in lands and resources.

III. BACKGROUND AND PROCESS

The CAA 2023 authorizes the BLM to directly convey up to 360,000 acres of land to the UA. The available lands must be federal lands selected by the State pursuant to Sec. 6(b) of the Alaska Statehood Act.

The University of Alaska Land Management Office (UALMO) reviewed available State land selections and identified possible land for conveyance. UALMO submitted land selections to the DMLW Realty Services Section (Realty). Realty worked with UALMO to refine the selection, then completed state-wide agency review and public notice for the specific proposed relinquishment. This decision reflects a consideration of comments received during agency review and public notice, and will be published on the State's online public notice board while the reconsideration period runs. Information about how to file a request for reconsideration is

appended to this decision. Following the closure of the reconsideration period, provided there are no requests for reconsideration, the State and UALMO will jointly submit to BLM lists of lands to be conditionally relinquished by the State and conveyed to the UA. Any request for reconsideration will be reviewed under the applicable state law and process. Final relinquishment of the State's selections would be affected upon conveyance of the lands to the UA.

IV. ADMINISTRATIVE RECORD

The selection files for state selection GS-3386 constitutes the administrative record for this action.

V. LOCATION

The lands proposed for relinquishment are located within DNR's Northern Region, near Central, Alaska. They are along the shore and surrounding Medicine Lake. Trail access to Medicine Lake has been carved out and the lands for the trails are anticipated to be conveyed to the State of Alaska as a selection (See legal description Section VI for exact locations). Please see Attachment A for a visual depiction of the area.

- *USGS Map Coverage:* Circle B-1 and B-2, and Circle C-1 and C-2
- *Regional Corporation:* Doyon
- *Native Community:* Circle Native Community

VI. LEGAL DESCRIPTION

The Medicine Lake parcel consists of:

Within the Fairbanks Meridian, Alaska

Township 8 North, Range 16 East,

Section 19, Lots 1 through 7, inclusive;

Section 20, Lots 1 and 2;

Section 29 through 32, inclusive;

U.S. Survey 4264 (subsurface only, all minerals).

Excluding Medicine Lake, all navigable and meanderable waters, and U.S. Survey Nos. 1416, 3636, and 9891.

Containing approximately 2,537.17 acres

VII. SELECTION HISTORY

State records indicate lands in the townships were selected in 1978 under general grant land selection GS-3386. The selection was published in 1981. The final top-filing and amendment of the selection was in 1993. The lands are currently ranked as priority level one (1), or high, in the statehood selection prioritization for their settlement opportunity.

VIII. AGENCY REVIEW

Information and comments received from State agencies have been considered and included in the preparation of this decision. The proposed relinquishment documents were distributed to State agencies for review from November 17, 2025 through December 8, 2025. Public Notice with a concurrent agency review was conducted from March 12, 2026 to April 21, 2026. Agencies were given the opportunity to evaluate and comment on the relinquishment to determine if it is in the State's best interest to release the land selection.

The following agencies or groups were included in the agency review and provided comments, which are reproduced or summarized and responded to, as appropriate, below:

Department of Transportation (DOT&PF): DOT&PF advises that the requested relinquishment proposes to include Sections 31 & 32 fall within the FAA Part 77 airspace for Circle Hot Springs Airport (CHP). As such, prior to any land development the landowner shall reach out to both DOT&PF and FAA so that it can be verified that the development will not impact the Airport's airspace and operations. CHP Airport coordination contacts can be found at:

<https://internal.alaskaasp.com/Facilities/Default.aspx?tab=contacts&id=205&siteid=50108>

DMLW Realty Response: Thank you for your comment.

Division of Geological and Geophysical Surveys (DGGS): Comments regarding the transfer:

- **Mineral Resources:** The UA land selection near Circle Hot Springs surrounding Medicine Lake is northeast of the Tintina fault in flat topography and is not prospective for lode mineralization. There are placer gold deposits along Portage Creek, which flows through the corner of section 30 into Medicine Lake. There are no mining claims within that section, but there are active mining claims in neighboring section 25 just to the west. Placer gold mining along Portage Creek has occurred upstream of the Tintina fault within the Yukon Tanana Uplands. Gold placers may be located farther downstream on Portage Creek towards Medicine Lake, but there does not appear to be any historical workings downstream near the discharge into Medicine Lake.

DMLW Realty Response: Thank you for your comment.

DMLW Public Access Assertion & Defense Section (PAAD): PAAD initially had no concerns about the proposed relinquishment, noting:

- The state believes Medicine Lake and its outlet are navigable in fact.
- There do seem to be some changes visible in 2023 aerial imagery to lot configuration in Section 19, T8N, R16E, FM. Lots 1, 3, 4, and 5 appear to have melted into Medicine Lake and no longer exist, while Lot 6 appears to have accreted to USS 1416.
- There are no known RS 2477's within the project area.

DMLW Realty Response: Thank you for your comment. After the agency review, Realty reached out to PAAD regarding a trail system on the west side and south end of Medicine Lake. It was determined that the trail system should be defined and excluded from the conveyance area under consideration.

DMLW Resource Assessment & Development Section (RADS): Concurs with the proposed relinquishment, noting:

- The parcel falls within the Northeast Alaska Area Plan (NEAAP) boundary, but this plan is not yet in force.
- AHRs reports heritage sites in or around this area.
- Lands around Medicine Lake have been identified as a potential settlement area for disposal through the state land sales program.
- It appears that if one headed northeast from Circle Hot Springs Airport on RST 1800, they would pass through a native allotment and then reach a shallow lobe of Medicine Lake without crossing onto these selected lands – so relinquishment here would not block lake access via this RST.

DMLW Realty Response: Thank you for your comment.

Department of Fish & Game (ADFG): Although ADFG has no specific fish or wildlife concentration concern should the ownership of the selected lands change, we do have concerns that subsistence and recreational use by the community members of Central and Circle will be heavily impacted if the lands are conveyed to the University. ADF&G biologists familiar with the area provided the following information:

- **Fisheries and Access:** Medicine Lake contains broad whitefish and northern pike. Residents of Circle and Central often fish at Medicine Lake, and they annually hold a community ice fishing event. Over 20 people ice fish on the lake in the spring. Residents access Medicine Lake via snow machine on the trail that begins near Circle Hot Springs. Some pilots will also land on the lake. The trail is also used to access Birch Creek for recreational activities such as snowmachining and trapping. The Yukon Quest trailbreakers and mushers also access Birch Creek via Medicine Lake. The number of people using the trail for the event varies from year to year.
- **Subsistence Resources:** Technical Paper No. 469 (attached to original comment and available online at: <https://www.adfg.alaska.gov/techpap/TP469.pdf>), prepared by the ADF&G Division of Subsistence, includes some use information near Medicine Lake, primarily by Central residents. The respondents of the study describe going to the area to hunt caribou, ducks, and geese. Although respondents did not claim to go there every year, the Medicine Lake area is described as an important location for subsistence activities in historic and contemporary times.
- **Hunting and Trapping:** Moose harvest records over the past 10 years (RY16-RY25) indicate that, on average, 6% of the reported Game Management Unit 25C moose harvest occurred within the Medicine Lake area (i.e., reported location was Medicine Lake). Similarly, over 10 years (RY15-RY24), 38% of the unit wide lynx harvest, 15% of the unit wide wolf harvest, and 17% of the unit wide wolverine harvest, on average, occurred within the Medicine Lake area. Due to the low sample size, I am unable to provide the exact number harvest for each species.
- ADF&G staff encourage DNR to reach out to members of each community so they are aware of the proposed land action and understand what this change could mean for their subsistence and recreational activities. Staff can provide contact information of community members if you wish to reach out to anyone directly.

DMLW Realty Response: Thank you for your comment. Additional analysis of these topics follows below. Access corridors are discussed more fully later in this document in Section X below, but the State has taken several steps to ensure access remains via trails, RSTs, and navigable waters.

Division of Parks and Outdoor Recreation: DPOR has no issues.

DMLW Realty Response: Thank you for your comment.

DMLW Land Conveyance Section (LCS): LCS opposes the proposed relinquishment based on the draft Northeast Alaska Area Plan (NEAAP) designation, noting:

- Unit I-20 is currently designated as Settlement in the draft NEAAP and represents one of the few new Settlement designations in the plan. The proposed area encompasses all land surrounding Medicine Lake. While the area does contain a notable amount of wetlands, our assessment suggests it may still be suitable for remote or low-density settlement.

- Given its designation and development potential, we oppose this relinquishment. However, if the final NEAAP does not designate this area as Settlement, we would withdraw our objection.

DMLW Realty Response: Thank you for your comment. NEAAP was adopted on February 25, 2026, and the land classification stayed as Settlement designation. The fact that settlement is possible and consistent with the planning document does not override the interest in fulfilling the program established under CAA 2023. Additionally, the intent of the program is for the University to make beneficial use of the lands, including potentially settlement.

DMLW Water Section: We don't see any obstacles from the Water Section perspective. A water right would run with any land transfer.

DMLW Realty Response: Thank you for your comment.

The following agencies did not provide comments in response to the notice:

- DMLW Northern Region
- Division of Oil and Gas
- Division of Forestry
- DMLW Mining/Mineral Properties Management

IX. PUBLIC COMMENT

Public notice of the proposed relinquishment was conducted from March 12, 2026, through April 20, 2026. The notice was posted to the State of Alaska Online Public Notice System and posted at U.S. Post Offices in Central and Circle, and the Skookum Roadhouse in Central. Copies of the notice were sent to the University of Alaska, the Native Village of Circle, Circle School, Tanana Chiefs Conference, BIA Regional Realty Office and Title Services, Alaska Department of Natural Resources Commissioners Office, Alaska State legislature, adjacent landowners, and interested private parties.

Realty received 41 comments in response to the proposed relinquishment. All comments were opposed to the relinquishment and were received via email. These submissions featured several of the same comment topics, which were analyzed collectively by topic below. The community of Central provided a group comment for 35 people who attended or reviewed the comment created at a community meeting in Central. The 21 concerns raised in the comments are summarized below, followed by the Department's response and analysis of each topic.

Concern 1 (36 comments): These lands are important for hunting and fishing, and subsistence year-round, with at least 50 users per season.

DMLW Realty response: Thank you for your comment.

- UALMO has created a program allowing hunting and subsistence activities on UA lands. More information about the program can be found here: <https://www.alaska.edu/ualand/permits/hunting-revised.php>.
- Medicine Lake is navigable, State-owned, and remains excluded from this potential relinquishment. This would provide access for potentially continued hunting, fishing, and subsistence activities.

Concern 2 (36 comments): These lands are important for recreational uses.

DMLW Realty response: Thank you for your comment.

- Public access and use of UA lands for non-commercial uses such as hiking and berry picking are allowed without a permit. Dedicated access to and through UA lands, or for commercial applications, is available by obtaining a permit from the UALMO. More information on the permit process can be found here:
<https://www.alaska.edu/ualand/permits/>.

Concern 3 (36 comment): These lands are used for trapping.

DMLW Realty response: Thank you for your comment.

- During the review period of this decision the UALMO implemented a trapping program. More information about the program can be found here:
<https://www.alaska.edu/ualand/permits/hunting-revised.php>.

Concern 4 (35 comments): These lands are used for woodcutting.

DMLW Realty response: Thank you for your comment. UALMO does offer Firewood Permits for certain UA lands: https://www.alaska.edu/ualand/permits/firewood_1.php

Concern 5 (39 comments): Lake access should be retained.

DMLW Realty response: Thank you for your comment. Access corridors are discussed more fully later in this document in Section X below, but the State has taken several steps to ensure access remains via trails, RSTs, and navigable waters.

Concern 6 (35 comments): Loss of lakeshore use for parking boats and float planes.

DMLW Realty response: Thank you for your comment. Because Medicine Lake is navigable, DNR owns the lands below the ordinary high-water mark (OHWM). These lands are available for public mooring purposes but may require a permit from DMLW. Permits for the upland mooring of boats and floatplanes can be issued by the UALMO. Access corridors are considered more fully later in this document in Section X below.

Concern 7 (1 comment): Lands should not be developed to prevent negative environmental impacts to the land.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish its land selection to facilitate conveyance of the lands to the UA. Whether held by the federal government, State, or University, development of these lands is allowable under law and may occur under any ownership. Realty notes that relinquishment of DNR's land selection does not authorize any development. Should the land be conveyed to the UA, any future actions for particular developments would be subject to applicable State and Federal environmental regulations and permits. In addition, the UALMO provides public notices for actions on university lands via their website: <https://www.alaska.edu/ualand/>.

Concern 8 (1 comment): Alternatives for better land relinquishments for UA exist on non-selected federal land.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish this land selection to facilitate conveyance of the lands to the UA. Realty notes that only lands selected or top-filed by the State are eligible for selection and conveyance to the University under CAA 2023.

Concern 9 (1 comment): As a constructive alternative, I request the State adopt conditions before any relinquishment or conveyance is approved, such as restrictions on who the UALMO can sell land to and limits on carbon credit sales. Such conditions shall not close public use and access.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish this land selection to facilitate conveyance of the lands to the UA. Statehood Act land grant Federal regulations and the CAA 2023 do not provide a mechanism for BLM to place additional conditions on the UA's title. BLM is only allowed to reserve Federal interests to themselves or make the UA's title subject to prior valid rights or interests. Because the lands will be directly conveyed from the BLM to the UA, DNR has no ability to place conditions on the UA's title. However, as discussed throughout this decision, there are several methods of access to the area that remain regardless of the land ownership of the parcel in question.

Concern 10. (1 comment): Subsurface rights should never be conveyed and retained by the State.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish this land selection to facilitate conveyance of the land to the UA, and the State does not own any subsurface rights at this time. If the lands are ultimately received by the UA under the program, the subsurface rights will be held by the University without passing through the State.

Concern 11 (1 comment): Title to the University lands cannot be transferred to a private nonprofit, private for profit, or foundation without legislative approval and transparency.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish this land selection to facilitate conveyance of the lands to the UA. Should the land be conveyed to the UA, the land will be managed according to applicable statutes, regulations, and policies set by the Board of Regents (BOR).

Concern 12 (1 comment): Any revenue generated from the parcel should be shared by the State or allocated to specific funds for the University.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish this land selection to facilitate conveyance of the land to the UA. Should the lands be conveyed to the UA any revenue generated from the parcel would be retained by the UA.

Concern 13 (1 comment): Record public access easements, including easements for customary subsistence and recreation uses, and protect the easements with reversion clauses in the title documents.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish this land selection to facilitate conveyance of the lands to the UA. Statehood Act land grant Federal regulations and the CAA 2023 do not provide a mechanism for BLM to place additional conditions on the UA's title. BLM is only allowed to reserve Federal interests to themselves or make the UA's title subject to prior valid rights or interests. Because the lands will be directly conveyed from the BLM to the UA, DNR has no ability to place conditions on the UA's title. However, existing rights will remain, and the State has worked to adjust the selection to ensure some access is preserved.

Concern 14 (1 comment): This is bypassing State's land selection process under Statehood Act, which was designed to select and keep lands in the public interest. These lands were strategically selected for their public value and long term benefit to Alaskans.

DMLW Realty response: DMLW Realty response: Thank you for your comment. The December 2022 CAA for fiscal Year 2023 created a mechanism for BLM to convey State of Alaska Statehood Act land selections to the UA in furtherance of what was deemed by Congress

to be a public purpose, and for management and use consistent with the University's public mission. The State is participating in the program towards those ends consistent with the Alaska Constitution's Article VII directives for the University. While this land was selected by the State of Alaska under the Alaska Statehood Act, selections only represent a contingent right and there may be other public policy reasons – such as the imperative to support the University's operations reflected in both the federal program and the Alaska Constitution – that weigh in favor of relinquishing a selection, as here. The Statehood Act land selection process is further discussed in Section X below.

Concern 15 (1 comment): I am concerned about loss of RS2477s and access via Navigable Water.

DMLW Realty response: Thank you for your comment. There are no RS2477 trails on the lands proposed for relinquishment. Medicine Lake, which is navigable, is not selected by UA and ownership of the bed of the lake below the ordinary high-water mark (OHWM) will remain with DNR. Access corridors to the lake are addressed later in this document in Section X below.

Concern 16 (1 comment): Public notice did not reach all impacted users.

DMLW Realty response: Thank you for your comment. Public notice was conducted pursuant to Alaska Statutes 38.05.945 and 38.05.035. Public notice period was open March 12, 2026, through April 20, 2026. The notice was posted to the State of Alaska Online Public Notice System and posted at the Skookum Roadhouse in Central, and the U.S. Post Offices of Central and Circle. Copies of the notice were sent to the University of Alaska, the Native Village of Circle, Circle School, Tanana Chiefs Conference, BIA Regional Realty Office and Title Services, Alaska Department of Natural Resources Commissioners Office, Alaska State legislature, adjacent landowners, and interested private parties. In addition, the notice was published on the DMLW public website and social media sites.

Concern 17 (2 comments): I am concerned about the lack of development transparency from UA. There is a distinct lack of information regarding the University's long-term management plan for this area.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish its land selection to facilitate conveyance of the lands to the UA. Comments regarding potential future use of the land by the UA are beyond the scope of this decision. However, the UALMO provides public notices for actions on university lands via their website: <https://www.alaska.edu/ualand/> and may respond to comment and information requests related to the parcel directly.

Concern 18 (35 comments): Intensive recreational uses such as snowmachining and four-wheeling would require a formal Land Use Application and a non-refundable \$750 administrative fee just to be considered, with no guarantee of approval. Approved applicants would then be subject to an additional land use fee on top of that. This creates an unreasonable financial and bureaucratic barrier for rural residents engaged in traditional activities.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish its land selection to facilitate conveyance of the lands to the UA. Comments regarding UALMO land permitting are beyond the scope of this decision, but may be addressed to the University in the event the land is ultimately transferred to them. Concerns about UALMO's application process should be forwarded to the UA Board of Regents (BOR). The UA BOR may approve various terms for access, recreation, and use of the land,

including via snowmachine, in the future. Access corridors are addressed later in this document in Section X below.

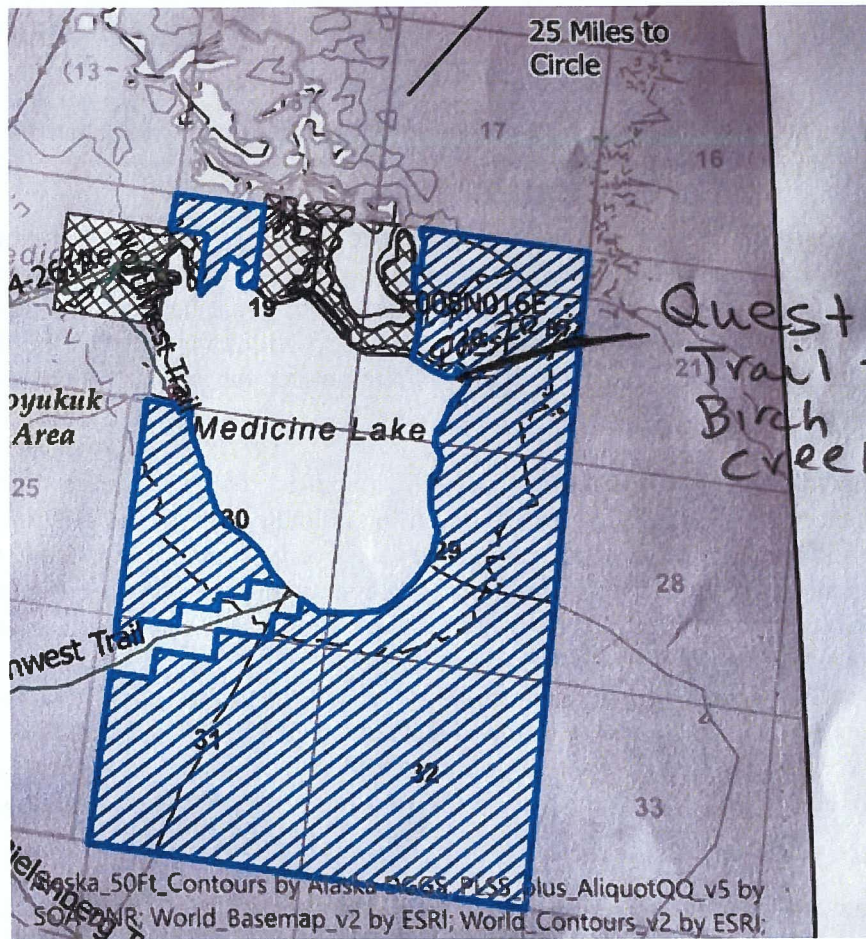
Concern 19 (37 comments): The University retains broad discretion to restrict or close parcels at any time, meaning currently permitted activities like hunting could be restricted without community input.

DMLW Realty response: Thank you for your comment. The scope of this decision is limited to whether DNR should relinquish its land selection to facilitate conveyance of the lands to the UA. While comments regarding UALMO land management practices are beyond the scope of this decision, the UA is a public institution and there are opportunities for input to the BOR policies affecting these lands. The UALMO provides public notices for actions on university lands via their website: <https://www.alaska.edu/ualand/>.

Concern 20 (35 comments): We understand that this land is likely to leave Federal ownership/management regardless of DNR's decision on this relinquishment. We believe that State ownership serves our community's interests better than private ownership. State land generally remains open to the full range of uses that our community depends on, including hunting, trapping, and motorized access. Retaining the State's entitlement claim on this parcel would preserve our community's longstanding uses of this area.

DMLW Realty response: Thank you for your comment. The State's interest in retaining a selection on these lands are addressed later in this document in Section X below. Given the significant over selections associated with statehood entitlement, it is possible any given selection, even if ranked priority one in recent analyses, may not ultimately be taken into state ownership.

Concern 21 (35 comments): Community members noted that the Yukon Quest runs through the land that is being considered for relinquishment. The trail that is used to exit Medicine Lake and access Birch Creek is not indicated on the map (below) as being retained by the State. The community also uses this trail to access Birch Creek.



DMLW Realty response: Thank you for your comment and bring this to our attention. The creation of an access corridor for this location is considered more fully later in this document in Section X below.

X. DISCUSSION AND ALTERNATIVES

The UA has sought additional lands to complete its territorial land grant for several decades but has been challenged by legal restrictions about the disposal of state lands in the Statehood Act and the State Constitution. Previous attempts to rectify the land grant deficit were ultimately overturned in legal challenges. This history resulted in federal Congressional action within the CAA 2023 with the intent of establishing a state and federal cooperative program to remedy the deficit and further endow the University with land. Congressional intent is for lands to be transferred to the UA to complete the entitlement originally intended for conveyance under the Statehood Act and to provide economic opportunities for the UA. This is consistent with the UA's public interest mission under Title 14 of the Alaska Statutes and Title VII of the Alaska Constitution.

DNR must consider and weigh its own and the public's interests in retaining or relinquishing land selections while supporting the UA's public interests in new land entitlement. Such interests include resource development, conservation, consideration of existing land uses, and public access consistent with the public interest – which the UA shares and has many of the same tools and processes to advance. In general, there must be an overarching benefit to Alaskans in retaining selected land - and declining to participate in the program – to defeat the Congressional intent in the CAA 2023 and the public interests of UA in the program. Any

decision DNR makes must balance and reflect these interests: providing valuable land to the UA without undue harm to the interests of Alaskans.

DNR notes that the CAA 2023 does not require the State to relinquish specific state selected land and is considering UA selections in light of the balanced interests of the State. The UA's proposed selection included lands described in Section VI. Immediately adjoining lands to the section are State-owned (Patented or Tentatively Approved) and Native Allotments. The parcel is an isolated federal inholding and is ranked moderately high for future acquisition by DNR.

A review of federal records indicate there are no current applications with BLM for a permit, easement, or right-of-way by groups or individuals on the land. While BLM recognizes some Revised Statute 2477 (RS 2477) trails as prior valid rights, Statehood Act land grant Federal regulations do not provide a mechanism for BLM to reserve those interests from UA's land title. Regardless, DNR is not aware of RS 2477 trails affecting the parcel.

However, a trail system was identified on the west side of the lake during agency review that PAAD agreed should be defined and excluded from the relinquishment area. This area was excluded from the UA selection prior to completing the public notice and concurrent final agency review. Adjacent areas were further excluded from the UA selection at UALMO's request after the public notice closed. The northwest trail and southwest trail were removed from the area under consideration to enable the state to retain its selection to those areas, as the trails provide access to Medicine Lake, a navigable lake owned by the State. Retention of these corridors ensures continued public access to the lake and provides uplands for mooring boats and float planes. Generally speaking, this continued public access mitigates a great deal of the concerns expressed by the public during the comment period.

The UA has excluded the beds of navigable waterbodies where title was conveyed to the State at Statehood under the Submerged Lands Act and the Equal Footing Doctrine. A review of the lands by PADD noted that the State believes Medicine Lake and its outlets are navigable. Ownership of the lands below the ordinary high-water mark of navigable water bodies will remain with DNR under the Public Trust Doctrine. This further supports public use and enjoyment of the area regardless of land ownership.

AS 38.05.127 requires that before a disposal of an interest in state land, DNR must determine if waterbodies within or adjacent to the proposed area for disposal are navigable or public water; and if they are to reserve access easements. However, statehood entitlement selections do not provide the State with management authority or title in land, but rather a valid prior existing right requiring BLM to convey to the state the selection when certain conditions are met. Given this, the State is unable to reserve access easements for relinquishments of entitlement selections but has instead met this need through the processes above.

Additionally, pursuant to 11 AAC 51.045(a)(2), DNR finds that reserving an access easement is not necessary to ensure free access to navigable or public water. A statehood entitlement selection does not provide the public with rights of access different from the general right of the public to access navigable or public water bordered by non-State land: that is, the right to use and have access to water below the ordinary high water mark for recreational or other public purposes for which the water is used or capable of being used consistent with the public trust. Because access to navigable or public water will remain the same after the relinquishment

of the entitlement selection as before, it is not necessary to preserve additional access easements beyond those discussed above.

The land described in Sec. VI represents a moderately sized and compact parcel of land. Conveyance of medium to large sized blocks of land generally simplifies land and resource management. Large blocks help enable landscape level considerations when land use authorizations are proposed. It helps the public understand land boundaries and acquire any relevant permits prior to land use. Additionally, it may reduce the potential for user confusion and conflict across areas of mixed land ownership.

Balancing development, access, subsistence use, public recreation, and wildlife habitat are challenges that must be addressed when managing the Medicine Lake parcel, irrespective of ownership. This balance is achieved through the development of land management plans, clear land use guidelines and regulations, and a robust public notice process. Relinquishment of State selected lands would not allow unrestricted development by the UA. Many projects and developments require State and Federal permits regardless of land ownership. Most development projects also require extensive studies and public consultation before a project is approved. Any proposed development, sale, or disposal of the lands by the UA would have to be approved by the UA BOR and would be public-noticed under existing UA policies.

During agency review, LCS objected to the relinquishment based on the lands' classification of Settlement Land in the NEAAP. There were additional concerns brought up for development of the area from DOTPF highlighting that the lands are restricted by FAA airspace regulations due to Circle Hot Spring Airport and by RADS due to abundant archaeological and cultural resources in the area. ADFG voiced concerns about communities' access to hunting and subsistence use in the area. While the lands have potential value to DNR for settlement, that same value makes the lands suitable for consideration under the CAA 2023. If the lands are developed, adverse impacts to archaeological and cultural resources could be mitigated through compliance with the Alaska Historic Preservation Act. The lands are not currently available under ANILCA's federal subsistence priority, which would not change if DNR relinquished its selection in favor of the UA. If the selection is relinquished and the lands conveyed to the UA, personal use hunting, trapping, and fishing activities will still be available under the UALMO's hunting program. Personal recreational use of the lands is allowed under existing UA BOR policies and commercial hunting and guiding can be permitted under UALMO's land use permit system.

All 41 of the public comments were opposed to the transfer of the lands to the University. The main topics of the comments that were within scope of this decision were regarding the loss of access, hunting, fishing, trapping and recreational uses of the land. Commentors also raised concern that the Medicine Lake parcel is part of a strategic selection by the State under the Statehood Act and relinquishing the parcel would deprive the State and public of access guarantees in the State Constitution and the resources that engendered the original State selection. Commentors also generally recommended the land remain public unless public access protections can be guaranteed prior to the conveyance. As discussed above, this decision supports those interests to the greatest degree possible due to the reduction of UA's selection area to continue to provide public access for these kinds of uses, while balancing the University's interests in having valuable land available for the program.

On an additional access topic, public comments identified a winter trail used by the community and the Yukon Quest 750 Sled Dog Race on the northeast side of the lake that provides access to Birch Creek. Realty reviewed the map that the community provided and consulted with the PAAD Section regarding the trail and determined that it is not a valid RS 2477 trail. A review of BLM's public records verified that the Yukon Quest 750 organization has not applied for a permit or easement for their use of the land. Consequently, in order to preserve this public access, Realty determined that, should DNR relinquish the majority of its relevant selections, it's in the public interest to retain DNR's selection on the land in the west half of Section 20. This will provide land for continued public and Quest access and avoid creating an isolated block of UA land, although it will require an approximately ¼ mile re-route to the existing trail. Retention of this corridor also provides uplands for mooring boats and float planes.

After the public notice period, Realty was notified by the UALMO that they would like to modify their request for relinquishment by excluding all lands in Section 19. Doing so avoids creating a block of isolated UA land that would be difficult for the UALMO to manage. After learning about the public and Yukon Quest existing access and use in Section 20, the UALMO also modified their relinquishment to exclude the land northwest of Medicine Lake in Section 20. Such modifications are a natural and appropriate part of the notice and comment process for developing decisions.

During this decision process UALMO also continued to develop their free hunting and fishing program to also allow trapping. As discussed throughout this decision, one of the primary concerns raised both during the public notice and by ADFG during agency review regard impacts to the community members of Central's and Circle's subsistence and recreational hunting, trapping, and fishing if the lands are conveyed to the UA. These interests can be served by the recently developed free public hunting, trapping, and subsistence program for some of the UALMO lands, although this program does not allow for commercial hunting, trapping, or fishing. Public comments noted that the UALMO free public access, hunting, trapping, and fishing programs could be modified or ended in the future. While future speculative changes to UA land use are outside the scope of this decision and best addressed directly by UALMO, the UA is a public institution with a variety of public interest and public process obligations.

The scope of this decision is limited to whether DNR should relinquish its land selections within the UA's Medicine Lake land selection to facilitate conveyance of the lands to the UA under the CAA 2023. The suggested alternative course of action is to retain State selection on all or a portion of the lands and decline to participate in the federal program.

In totality, portions of the land appear to be suitable for relinquishment in favor of the University excluding important access corridors to Medicine Lake identified during agency and public comment and removed in this decision. Retaining these access corridors would result in the land remaining under BLM management unless, or until, the lands are conveyed to DNR. Any activities outside of an access corridor would require authorization from UALMO. Agency comments were generally supportive of the proposed relinquishment, with the exception of the Land Sales Section – which prioritized settlement, which is also a use the UA could pursue. They noted that under the NEAAP the lands were classified as settlement and would likely provide value to the State as potential sale lands if DNR were to acquire the parcel, but that does not override the balance of the need to provide the University with valuable land under the CAA 2023 program.

Public comments referred to the strategic selection by the State under the Statehood Act and circumventing that land selection process. This land was selected by the State of Alaska under the Alaska Statehood Act for its natural resources, access potential, and fish and game interests. The selected lands are ranked priority one (1) or high in conveyance priority. However, being a high priority alone does not make relinquishment in favor of the University inappropriate or mean that the State will ever ultimately take the land into ownership. The State has selected more lands than remain available for conveyance under the Statehood Act, therefore DNR is required to relinquish over-selections while actively working to fulfil its remaining Statehood Act land entitlement. The land selection period granted in the CAA 2023 expires in Dec. 2026 and DNR is unlikely to have completed acquisition of the statehood land grant before the CAA 2023 grant sunsets. Therefore, DNR needs to pursue relinquishment of the University selections simultaneously with its efforts to continue land acquisition.

The State's interest in retaining these lands must be balanced with providing potentially valuable lands to the UA while protecting the State's interests in potentially valuable land, State owned or selected adjacent lands, access to public lands, and the overall management of an area. UA ownership provides options for access that, while less than what is available on DNR owned lands, does not constitute an overriding State interest to retain a selection on these lands. When considered fully, the State's interest in retaining a selection on all of these lands is not compelling and supports a modified conditional relinquishment. Maintaining the DNR selection on access corridors which provide access to public lands and waters is in the State's and public's interest. Relinquishment of the land outside the corridors would fulfill the purpose of the CAA 2023 in providing land to the University, which may have alternative revenue streams available for the lands. The State considered the following alternatives in adjudicating the request for relinquishment:

Alternative 1: Conditionally relinquish the State's selection on lands described in Section VI.

Alternative 2: Modify the UA's Medicine Lake selection area to retain DNR's selection of the lands within the northwestern, southwestern, and northeastern access corridors and the lands in Sec. 19 as shown in the attached map. Conditionally relinquish the State's selection on the remaining lands in the UA selection area.

Alternative 3: Decline to conditionally relinquish the State's selection on lands described in Section VI.

XI. DECISION

This decision considers all public and agency comments received. After considering the facts and input described above, the Department finds it is in the best interest of the State to choose **Alternative 2**.

This removes the following lands from relinquishment consideration and retains the State's selection on the following lands:

T. 8 N., R. 16 E., F.M.

Sec. 19, Lots 1 to 7

Sec 20, NW1/4 and NE1/4SW1/4, excluding USS 3636

Sec. 30, SE1/4SE1/4SW1/4, E1/2SW1/4SE1/4SW1/4, E1/2SW1/4SE1/4, SW1/4SW1/4SE1/4, S1/2NW1/4SW1/4SE1/4, NW1/4SE1/4SE1/4

Sec. 31, N1/2NE1/4NW1/4, E1/2NW1/4NW1/4, SW1/4NW1/4NW1/4,
N1/2SW1/4NW1/4
Containing approximately 328.15 acres.

Consequently, the final decision proceeds with conditional relinquishment of the following lands:

T. 8 N., R. 16 E., F.M.

Sec. 19, the reserved mineral interests within U.S. Survey 4264

Sec. 20, E1/2, SE1/4SW1/4, excluding Medicine Lake

Sec. 29, All, excluding Medicine Lake

Sec. 30, N1/2, N1/2S1/2, E1/2SE1/4, SW1/4SE1/4, N1/2NE1/4SW1/4SE1/4
SW1/4SW1/4, N1/2SE1/4SW1/4, W1/2SW1/4SE1/4SW1/4, excluding
Medicine Lake

Sec. 31, S1/2, NE1/4, SE1/4NW1/4, S1/2NE1/4NW1/4, NW1/4NW1/4NW1/4,
S1/2SW1/4NW1/4

Sec. 32, all

Containing approximately 2,204.44 acres.

Recommended by:


Aleria Knudson
Natural Resource Specialist 3
Realty Services Section
Division of Mining, Land and Water
Department of Natural Resources

9/10/2026

Date of Signature

Approved by:


Lacy Hamner
Natural Resource Manager 2
Realty Services Section
Division of Mining, Land and Water
Department of Natural Resources

9/10/2026

Date of Signature

Approved by:


Commissioner John Crowther
Department of Natural Resources

9 / 10 / 2026

Date of Signature

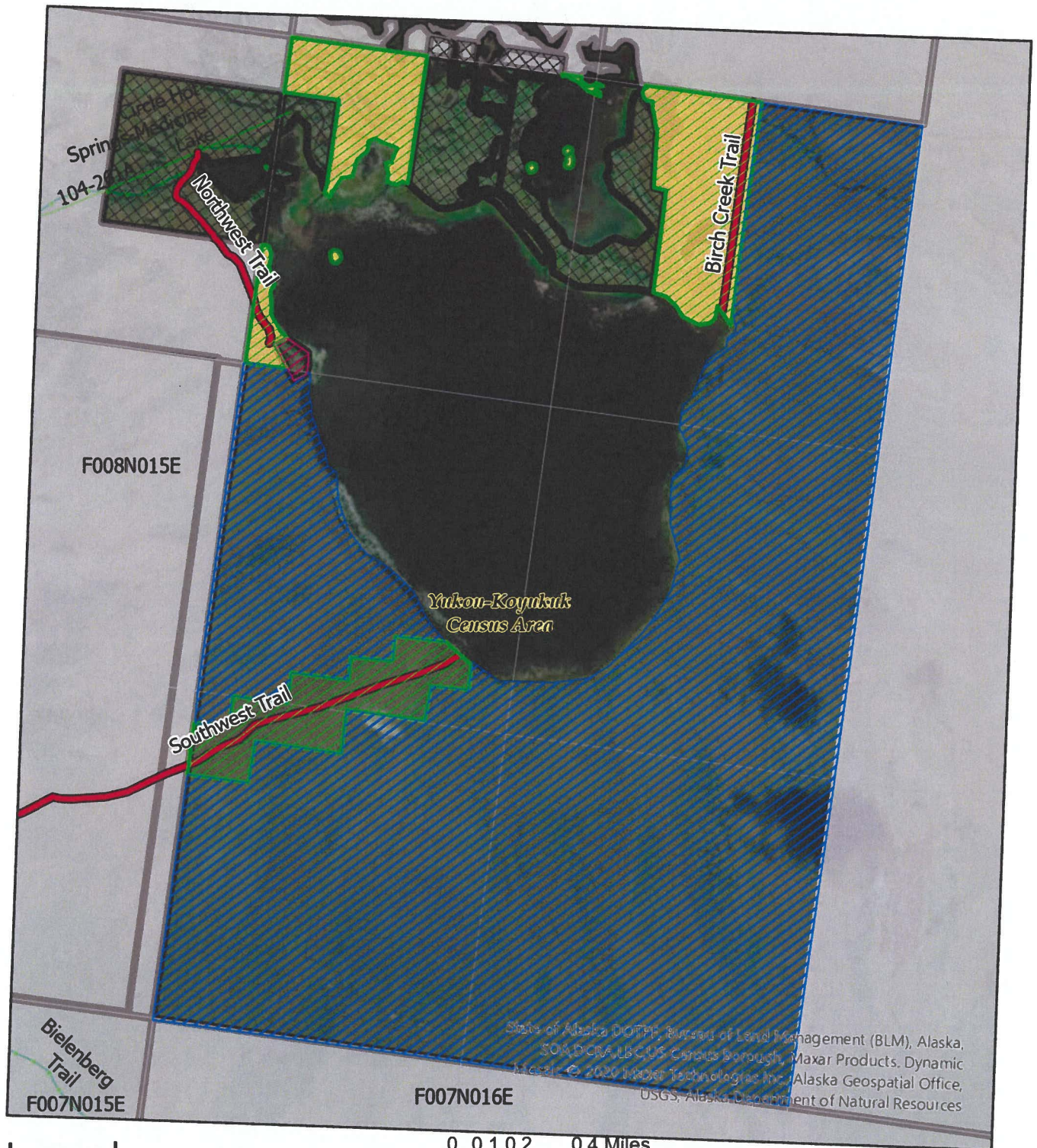
RECONSIDERATION PROVISION

RECONSIDERATION

An eligible person affected by this decision, and who provided timely written comment or public hearing testimony to the department, may request reconsideration to the DNR Commissioner per AS 44.37.011 and 11 AAC 02. Any request for reconsideration must be received by the Commissioner's Office within twenty (20) calendar days after issuance of the decision under 11 AAC 02.040. The Commissioner may order or deny a request for reconsideration within thirty (30) calendar days after issuance of the decision. If the Commissioner takes no action on a request for reconsideration within thirty (30) days after issuance of the decision, the request for reconsideration is considered denied. The Commissioner's decision on reconsideration, other than a remand decision, is a final administrative order and decision of the department. An eligible person must first request reconsideration to the Commissioner before seeking relief in superior court. The Alaska Court System establishes its own rules for timely appealing final administrative orders and decisions of the department.

Reconsideration may be mailed or hand-delivered to the DNR Commissioner's Office, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska, 99501; or faxed to (907)-269-8918 or sent by electronic mail to dnr.appeals@alaska.gov. Reconsideration must be accompanied by the fee established in 11 AAC 05.1G0(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.1G0(a)-(b). A copy of 11 AAC 02 is available on the department's website at <https://dnr.alaska.gov/mlw/pdf/DNR-11-AAC-02.pdf>.

University of Alaska Selection: Medicine Lake



Legend

-  BLM AK Native Allotment
-  BLM AK ANCSA
-  Alaska State
-  Private
-  UA Medicine Lake
-  UA Selection Mineral Rights Only
-  Retained State Selection
-  UA Exclude from Selection



