

Corri A. Feige
Commissioner

www.DNR.Alaska.Gov



Department of
Natural Resources

Anchorage, Alaska

STATE OF ALASKA

PRESS RELEASE

Embargoed until November 3, 2021 at 10 a.m.

State receives six bids in Wednesday oil and gas lease sales

(Anchorage, AK) – The Division of Oil and Gas received six bids covering 14,080 acres and totaling \$467,609 in bonus bids from two bidders, according to preliminary results from today’s Fall 2021 North Slope, Beaufort Sea, and North Slope Foothills oil and gas lease sale.

Preliminary results from the sale, which was conducted online, are posted at dog.dnr.alaska.gov. Final results and more details will be posted as they become available.

The most active bidder was Lagniappe Alaska, LLC, which bid on five tracts covering 12,800 acres to the southwest of the Badami unit, in the North Slope Areawide sale. Lagniappe offered an average \$33.53 per acre, totaling \$429,132. The Louisiana-based independent formed in 2018 and already has a block of about 167,000 acres of leases in that area.

The second successful bidder in the North Slope sale was Savant Alaska, LLC, which bid on one tract totaling 1,280 acres adjacent to and south of the Badami unit. Savant offered \$30.06 per acre, totaling \$38,476. Savant has operated the Badami unit for more than 10 years.

While the state offered 818 tracts totaling 4.3 million acres in the North Slope Foothills sale, and 857,889 acres in 291 tracts in the Beaufort Sea sale, it received no bids in either, said Tom Stokes, director of the Division of Oil and Gas. He noted 45 percent of the state’s Beaufort Sea acreage is already under lease, as is 40 percent of the North Slope area.

“When you combine that fact with the limited available acreage around known exploration targets throughout the North Slope, and some banks’ current hesitance to lend money for Arctic exploration, it’s understandable that the modest interest in today’s lease sale focused on opportunities close to development infrastructure,” Stokes said.

Following adjudication, leases will be awarded to the successful bidders to explore and potentially develop the leases during a 10-year lease term.

Interested individuals can sign up for e-mail updates for state oil and gas lease sales, at <http://list.state.ak.us/mailman/listinfo/dog.leasing>.

CONTACT: Sean Clifton, (907) 269-8786, sean.clifton@alaska.gov

###