

Corri A. Feige
Commissioner



Department of
Natural Resources

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Anchorage, Alaska

STATE OF ALASKA

PRESS RELEASE

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New oil and gas regulations filed to modernize leasing process

(Anchorage, AK) – Alaska will bring its oil and gas leasing processes into the 21st century under new regulations filed last week to allow for online lease applications, bids and lease payments, Department of Natural Resources Commissioner Corri A. Feige said today.

The changes in Title 11 of the Alaska Administrative Code will also modernize other administrative matters associated with mineral lease sales, administration, and definitions, and are scheduled to take effect Dec. 26.

“The changes contained in these new regulations will empower the Division of Oil and Gas to apply modern digital and technical solutions to provide efficient leasing services to the oil and gas industry,” Feige said. “It is a testament to the hard work of the people in the Division, and I’m looking forward to us taking this next step forward.”

Currently, those bidding on the rights to explore, develop and produce oil and gas on Alaska state land must submit bids on paper in submissions matched with a bid deposit, sealed by the bidder, delivered to the Division, and opened in public, in a system that is virtually unchanged since Statehood.

Online bidding will increase security and reduce time and expense, as bidders will no longer have to prepare paper bids, obtain certified checks for bid deposits, and ensure delivery to the Division office in Anchorage.

“Online oil and gas leasing is one of the biggest changes in state lease sales since the first Areawide lease sale in 1998 offered all available tracts for sale on the North Slope,” said Governor Michael J. Dunleavy. “This will mean smoother, more reliable and more attractive conduct of the process that helps build the foundation of our state’s oil wealth, including the Alaska Permanent Fund.”

The Department of Natural Resources proposed changes to the regulations in July, and they were signed and filed by Lieutenant Governor Kevin Meyer on Nov. 26 after a process that included public comment period, adoption by Commissioner Feige, and review and approval by the Department of Law.

(MORE)

The regulation changes will not apply to the oil and gas lease sale scheduled for Dec. 11. In addition to all available North Slope and Beaufort Sea tracts, that sale will also offer Special Alaska Lease Sale Area (SALSA) blocks in Harrison Bay, Storms, and Gwydyr Bay, large contiguous blocks that come bundled with available geology, well data, logs, and 3-D seismic data that can be purchased from DNR. For more information on the sale, go to <http://dog.dnr.alaska.gov/Services/BIFAndLeaseSale>.

The new regulations can be viewed through the Alaska Online Public Notice system or on the Division website <http://dog.dnr.alaska.gov/>. An electronic copy may be requested by email to dog.leasing@alaska.gov.

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