

**ALASKA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF MINING, LAND AND WATER  
MUNICIPAL ENTITLEMENT**

**PRELIMINARY DECISION  
CONVEYANCE OF LAND UNDER AS 29.65.010**

**NORTH SLOPE BOROUGH  
MUNICIPAL LAND ENTITLEMENT SELECTIONS  
ALASKA DIVISION OF LANDS  
ADLs 414826, 414852, 414853, 414854, 414857**

**I. PROPOSED ACTIONS**

The Department of Natural Resources (DNR) proposes to *reject* approximately 17,144 acres of state owned general grant land selected by the North Slope Borough (borough or NSB). This land was selected in 1993 in order to fulfill a portion of the borough's entitlement pursuant to AS 29.65.010. This action rejects the entirety of these selections that are the focus of this decision. However, this decision recognizes that portions of the Nuiqsut selection may be determined to be appropriate for industrial use and that such a use would not materially affect state oil and gas operations or the overall viability of the oil and gas resources (for utilization) that are the responsibility of the state to manage in the selection areas. These areas could be conveyed to the borough under certain conditions, which are described in more detail later.

All of the lands that are selected by the North Slope Borough have a resource management (RMG) classification, but this classification is non-conveyable under AS 29.65.130(1)(10)(D). Further, nearly all of the offshore islands cannot be conveyed for reasons of title and riparian law. These islands have moved from their position depicted in the Bureau of Land Management's (BLM) Master Title Plat (MTP). These depict the federal land conveyed to the state and the position of nearly all of the islands does not coincide with the originally depicted locations in the MTP.

The area plan for the North Slope Borough is currently in development but it is likely that a draft plan will not be available for review for a year and one-half, and because of this timing, it was determined that the adjudication of these selections should proceed independently of the plan. It was also determined that the adjudication of these selections would not fundamentally alter the basis of an area plan's recommendations for this area.

The preliminary decision (PD) covers approximately 17,144 acres in 2 different areas called Nuiqsut and the Barrier Islands, which are both located within the North Slope's legal boundary. The Barrier Islands consist of many islands that are located at the northern tip of Alaska in the Beaufort Sea and Arctic Ocean. Table 1 identifies the selections by map number and identifies the associated common geographic name, DMLW ADL number, and acreage. The attached maps are part of this decision, and depict the general location of the North Slope Borough land selections in this decision.

<b>Map #</b>	<b>Name</b>	<b>ADL #</b>	<b>Acreage</b>
Map 1	Nuiqsut	414826	10,240
Map 2	Jones Islands	414853 & 414857	1,830

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Map 3	Jones Islands	414853	1,180
Map 4	Jones Islands	414852	649
Map 5	Midway Islands	414852	214
Map 6	McClure Islands	414852	225
Map 7	Tigvariak Island	414852	1,070
Map 8	Stockton Islands	414854	354
Map 9	Bullen Point	414854	7
Map 10	Maguire Islands (selections that compose offshore islands)	414854	410
Map 11	Flaxman Island	414854	965
TOTAL			17,144 acres

The decision to approve or reject these municipal entitlement applications requires a specific land classification analysis and two interrelated land actions, all of which are discussed herein:

- **Land Classification Analysis:** None of the offshore islands selections have current land classifications that fall within AS 29.65.130's definition of VUU<sup>1</sup> land that could be conveyed without any further action. Before any of the parcels could potentially be conveyed, they would have to be reclassified. Accordingly, the Borough's municipal entitlement applications have been treated as an implied request to review the land classification status of the selected parcels or portions of parcels that do not have a currently conveyable classification. The department's land classification analysis reviews classifications, determines the appropriateness of reclassification of the parcels, and forms the basis for the decision.
- **Preliminary Municipal Entitlement Decision:** A municipal entitlement decision is made to determine whether or not land entitlement selections should be conveyed to a municipality. A municipal entitlement selection of conveyable land may be disapproved by the director "only upon a finding that the public interest in retaining state ownership of the land outweighs the municipality's interest in obtaining the land." AS 29.65.040(c). The department's Preliminary Municipal Entitlement Decision is included herein.
- **Draft Site Specific Plan:** Parcels affected by this decision that may be determined to be appropriate for reclassification must be reclassified through a site specific plan that establishes the classifications and management intent for the parcels. A site specific plan

<sup>1</sup> *Vacant, unappropriated, unreserved* land is general grant land that is patented, quitclaim deed or tentatively approved to the State from the United States, excluding minerals as required in (a) or (b) of the Alaska Statehood Act and is conveyable pursuant to the Municipal Entitlement Act.

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is typically implemented through a separate Land Classification Order at the time a final decision is made. In the event that the Land Classification Analysis determines that it is inappropriate to reclassify a parcel to a conveyable classification, the third part of this decision becomes obviated<sup>2 3</sup>.

As indicated, the Department of Natural Resources (DNR), Division of Mining, Land and Water (DMLW) *proposes to reject* all of the borough's selections (totaling 17,144 acres) on the grounds of 1) that the state does not currently have title or tentative approval (TA) for conveyance or patent to the land or 2) that non-conveyable classifications affect the selections, overriding state interests are present, or both conditions exist. An exception to this determination exists and applies to a portion of the Nuiqsut selection. This exception is further explained in the Land Classification Analysis and Recommendation sections.

The public is invited to comment on this DNR Municipal Entitlement decision. The deadline for comments is March 13, 2015. Following the comment deadline, all written responses will be considered and this decision may be modified. See the section titled Public Notice, Decision and Appeal Procedures at the end of this decision for details on how to submit comments.

## II. AUTHORITY

The proposed actions for this PD are authorized pursuant to the Alaska State Statutes (AS) together with the Alaska Administration Code (AAC), in particular to AS 29.65, AS 38.05.035(e), AS 38.05.125, AS 38.05.127, AS 19.10.010, AS 19.30.400, 11 AAC 51 and 55.

## III. ADMINISTRATIVE RECORD

The administrative records of this PD consist of case files ADL: 414826, 414852, 414853, 414854, and 414857. It also includes, but is not limited to other resources such as: USGS Quad maps, the Alaska Anadromous Waters Atlas by the Alaska Department of Fish and Game, the Alaska Department of Environmental Conservation List of Contaminated Sites, and Lease sales of Oil and Gas in the North Slope Borough. Other sources were consulted and are contained within the case files.

This decision relies upon and uses DNR Oil and Gas Leases ADL 377020, 47559, 47558, 312866, 47558, 312866, 343109, 47553, 343110, 379301, 389954, 388583, 388582, 355021, , 355016, 312808, 290419, 34622, 34629, 34630, 391638, 391284, 391376, 377016, 377017, 312862, 47563, 47562, 47561, 389730, 377020, 47559, and 47558 and all permits or authorizations issued under the authority of the leases. Table 2 identifies all of these ADLs as well as their lessee and location.

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<sup>2</sup> In fact, this decision makes the determination that reclassification to conveyable classifications for these selections is not warranted.

<sup>3</sup> DNR is in the process of preparing a combined area plan/management plan for the North Slope area and this plan will reclassify this area and will come up with detailed management recommendations for both state owned and selected lands.

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**TABLE 2: OIL AND GAS LEASES AFFECTING SELECTIONS**

<b>MTR</b>	<b>Section</b>	<b>MAP #</b>	<b>Selection ADL</b>	<b>Lease ADL*</b>	<b>Unit</b>	<b>Notification Lessee</b>
U014N008E	19, 29	2	414857	379301	Oooguruk	Caelus Natural Resources Alaska, LLC.
	32	2	414857	389954	Oooguruk	Caelus Natural Resources Alaska, LLC.
	20	2	414857	392706 (bid received)	None	70 & 148, LLC.
U014N009E	17, 18	2	414853	388583	Nikaitchuq	ENI US Operating Co. Inc.
	16, 21	2	414853	388582	Nikaitchuq	ENI US Operating Co. Inc.
	13,15,22,23	2	414853	355021	None	Hilcorp Alaska, LLC.
U014N010E	15 18, 21 – 22	4	414853	355016	Milne Point	Hilcorp Alaska, LLC.
U013N013E	16,21	4	414852	312808	None	Hilcorp Alaska, LLC.
U012N014E	5, 6	4	414852	390419	Dewline	Ultrastar Exploration LLC.
	4, 9, 10	5	414852	34622	Prudhoe Bay	BP Exploration (Alaska) Inc.
U012N015E	28	5	414852	34629	Prudhoe Bay	BP Exploration (Alaska) Inc.
	26, 35, 36	7	414852	34630	Prudhoe Bay	BP Exploration (Alaska) Inc.
U010N019E	11, 12	9	414852	391638	None	Daniel Donkel

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<b>TABLE 2: OIL AND GAS LEASES AFFECTING SELECTIONS</b>						
<b>MTR</b>	<b>Section</b>	<b>MAP #</b>	<b>Selection ADL</b>	<b>Lease ADL*</b>	<b>Unit</b>	<b>Notification Lessee</b>
	22	10	414852	392685 (bid received)	None	ConocoPhillips Alaska, Inc.
	13 – 14, 23 – 24	10	414852	392684 (bid received)	None	Caelus Alaska Exploration Company, LLC.
U010N020E	18 – 19	10	414852	392681 (bid received)	None	Caelus Alaska Exploration Company, LLC.
U010N021E	29, 32	10	414854	391284	None	AVCG, LLC.
	32	10	414854	391376	None	AVCG, LLC.
	4	10	414854	392677 (bid received)	None	Caelus Alaska Exploration Company, LLC.
U010N022E	7, 8	10	414854	377016	Point Thomson	Exxon Mobil Corporation
	8 – 11	10	414854	377017	Point Thomson	Exxon Mobil Corporation
	11 – 14	10	414854	312862	Point Thomson	Exxon Mobil Corporation
	32	10	414854	47563	Point Thomson	Exxon Mobil Corporation
	27, 33	10	414854	47562	Point Thomson	Exxon Mobil Corporation
	26, 36	10	414854	47561	Point Thomson	Exxon Mobil Corporation
U010N023E	7, 8, 17	11	414854	312862	Point Thomson	Exxon Mobil Corporation
	16, 17	11	414854	389730	Point Thomson	Exxon Mobil Corporation

**TABLE 2: OIL AND GAS LEASES AFFECTING SELECTIONS**

<b>MTR</b>	<b>Section</b>	<b>MAP #</b>	<b>Selection ADL</b>	<b>Lease ADL*</b>	<b>Unit</b>	<b>Notification Lessee</b>
	21	11	414854	377020	Point Thomson	Exxon Mobil Corporation
	27, 28	11	414854	47559	Point Thomson	Exxon Mobil Corporation
	25, 35	11	414854	47558	Point Thomson	Exxon Mobil Corporation
	23, 24	11	414854	312866	Point Thomson	Exxon Mobil Corporation
U010N024E	19, 20	11	414854	312866	Point Thomson	Exxon Mobil Corporation
	26	11	414854	343109	Point Thomson	Exxon Mobil Corporation
	29	11	414854	47557	Point Thomson	Exxon Mobil Corporation
	27 - 28,, 33 - 34	11	414854	47556	Point Thomson	Exxon Mobil Corporation
	35 - 36	11	414854	343110	Point Thomson	Exxon Mobil Corporation

\*Issued oil and gas lease unless otherwise indicated.

\*\*A notification lessee is the lessee authorized to receive notices on behalf of all lessees, if there are multiple lease owners.

**IV. SCOPE OF THE DECISION**

The scope of this DNR decision is limited to the determination of whether it is appropriate to convey the aforementioned borough land selections or a portion of these selections to the borough. For those areas that may be conveyed to the borough subsequent to this decision, it additionally includes the determination of third party interests, stipulations necessary to effectuate this decision, and whether the requirement of AS 29.65.010 applies and is met, and whether it is appropriate for the North Slope Borough to exercise immediate management authority for conditional leases and conditional sales.

## V. LAND CLASSIFICATION ANALYSIS

### A. Current Classifications and AS 29.65.130(10)

Only vacant, unappropriated, unreserved land (VUU land) may be conveyed to a municipality in satisfaction of its entitlement. Land that was classified as resource management land (RMG) prior to September 1, 1983 is not VUU land and therefore is not conveyable absent reclassification.<sup>4</sup> See AS 29.65.130(10). Land selected by the NSB in the Nuiqsut and Barrier Island selections are classified as RMG (pre-1983) and, therefore, is not conveyable to the NSB. All such land selected by the NSB would have to be reclassified before it possibly could be conveyed. In this decision, DNR is exercising its discretion to review the classifications of the selected parcels, to determine whether or not a reclassification is possible or warranted. DNR's reclassification review of the parcels discussed herein will not prevent it from rejecting or refusing to accept other municipal entitlement selection applications, whether existing or future, on the basis of land classification alone and without a reclassification review.

Under AS 38.05.300, the commissioner of DNR has authority to classify land in areas considered necessary and proper. The statute does not prevent reclassification of land where the public interest warrants it, nor does it preclude the multi-purpose use of land whenever different uses are compatible. DNR's authority extends to all of the selections that are part of this decision, and DNR may reclassify land in that area when the public interest warrants it.

In this case, the public interest may warrant reclassification of lands selected by the NSB for its municipal entitlement where the current land classification is not appropriate or where (1) the land use supports reclassification, i.e., the types of current and projected future uses of the land, the availability of facilities and services, and the resource values of the area are more consistent with a different classification identified in 11 AAC 55, (2) a reclassification potentially would allow the selected land to be conveyed to the NSB, i.e., a reclassification would be to a conveyable classification under AS 29.65.130(10), and (3) DNR determines that the land should be conveyed to the Borough in satisfaction of its municipal entitlement. Only if these criteria are met should the selected land be reclassified.

The accompanying 11 maps depict the location of each parcel under consideration, and the current classification for each parcel is listed in Table 3. All selections are classified Resource Management Land (RMG) Pre-1983. Based on the current classifications, DNR would be required to reject the selections that are classified RMG Pre-1983 since this classification does not constitute VUU land under AS 29.65.130(10). Only if DNR determines that reclassification from RMG Pre-1983 to a conveyable classification is appropriate can those parcels be considered for conveyance.

Map	Selection Area, ADL	Classification
Map 1	Nuiqsut ADL 414826	RMG Pre-1983
Map 2	Jones Island, ADL 414853, 414857	RMG Pre-1983
Map 3	Jones Island ADL 414852	RMG Pre-1983

<sup>4</sup> The general North Slope area, including the selections of this decision, were classified RMG on March 3, 1969 under Land Classification Order 618.

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Map 4	Jones Island ADL 414852	RMG Pre-1983
Map 5	Midway Island ADL 414852	RMG Pre-1983
Map 6	McClure Island ADL 414852	RMG Pre-1983
Map 7	Tigvariak Island ADL 414852	RMG Pre-1983
Map 8	Stockton Island ADL 414854	RMG Pre-1983
Map 9	Bullen Point Area ADL 414854	RMG Pre-1983
Map 10	Maguire Island ADL 414854	RMG Pre-1983
Map 11	Flaxman Island ADL 414854	RMG Pre-1983

**B. Land Use Analysis**

The decision to reclassify an area or a parcel depends in the first instance on whether or not the land use warrants reclassification. In other words, whether a reclassification is appropriate depends on the types of past, current, and projected land use, the availability of facilities and services, the resource values of the area, and the requirements of various classification regulations applicable to the area. *See* 11 AAC 55.040 -.230.

Classifications applied by DNR identify the primary use for which the land will be managed, subject to valid existing rights and to multiple use, and directly relate to the predominant resource value of an area, the current pattern of land uses, and the expected future pattern of such uses. Classifications, as identified in 11 AAC 55, generally correspond to the resource value of the land, and are intended to reflect surface impacts of surface or subsurface uses or both. *See* 11 AAC 55.040. For example, an area where the principal resource value relates to forest products and where there is active logging is typically classified as forest land. Similarly, an area that is next to existing residential subdivisions and that is in the path of future development is typically classified as settlement land.

The area of the NSB's selections is characterized by known or projected reserves of oil and gas in commercial quantities, along with extensive oil and gas development and support facilities that are distributed throughout the area. The most prevalent current use of this land relates to oil and gas development, including exploration, production, storage, and transportation, and it is expected that this will be the predominant use in the future as well.

In this area, therefore, the most appropriate classification is Oil and Gas Land. The classification of oil and gas land should be applied "where known oil and gas resources exist and where development is occurring or is reasonably likely to occur, or where there is reason to believe that commercial quantities of oil and gas exist." 11 AAC 55.135. In other words, if DNR were to reclassify the oil field area as a whole to something other than resource management land, the oil and gas land classification would be applied where the present or future use is most probably related to oil and gas exploration and development. The attached 'Municipal Selections and Infrastructure' and 'Oil and Gas Lease: Vicinity Map around Nuiqsut and the Barrier Islands (2014)' depict the municipal selections, oil and gas and related infrastructure, and current oil and gas lease sales. The former map depicts the Central North Slope oil field and many of the existing oil and gas facilities within it, and demonstrates the widespread distribution of these facilities. The latter map depicts the current leases throughout the North Slope area and all of the borough selections, and demonstrates the general distribution of significant oil and gas resource areas. A more detailed identification of lease status is provided by the maps 'Lease Status in the Vicinity of the Municipal Selections', contained in Attachment A. Based on known and expected resource and facility distribution, and current and expected uses of the land, including on-going

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oil field development, an oil and gas land classification would be appropriate for the area if DNR were to reclassify it as a whole. This would be an un-conveyable classification and would not result in the approval of the borough selections under consideration.

Despite the appropriateness of an oil and gas classification over the area, it could be appropriate under certain circumstances to reclassify individual parcels or portions of parcels that are within the oil and gas development area to something other than oil and gas land. Individual parcels or portions of parcels could be reclassified to a conveyable land use classification that corresponds to a more specific use of the smaller area, if such use does not interfere with the on-going or expected future oil and gas use of the area. Accordingly, DNR reviewed each parcel to determine if any other classifications could be applied to any parcel or portion of a parcel, without adversely affecting the predominant oil and gas use of the area. Sometimes the use of land might fit within the parameters of more than one classification, in which case DNR must use its judgment and expertise to determine which classification is most appropriate.

Under AS 29.65.130(10)(C) and (D), only land that is classified as agricultural, grazing, material, public recreation, or settlement land, or was classified resource management land after September 1, 1983, and is still classified resource management land, is considered VUU land that is available to convey as municipal entitlement land (which classifications are referred to herein as “conveyable classifications”). The Settlement land classification was the only conveyable classifications determined to be applicable to certain parcels or portions of parcels under consideration in this decision. Land may be appropriately classified settlement land where it is “by reason of its physical qualities and location, suitable for ... commercial or industrial development.” 11 AAC 55.202.

Table 4 analyzes each of the selections in this decision to determine based on past, present, and future land use considerations if a selection is correctly classified or if it (or a portion of it) can be reclassified to Settlement land.

<u>Map</u>	<u>Selection Area, ADL</u>	<u>Current Classification</u>	<u>Potential for Reclassification to Settlement<sup>5</sup></u>
Map 1	Nuiqsut ADL 414826	RMG Pre-1983	This selection is associated with current oil and gas lease sales and there is a variety of infrastructure related to oil and gas operations. <i>The appropriate classification is Oil and Gas.</i> It is recognized, however, that a portion of this selection may be appropriate for some form of industrial use in the future. The location of this area, should one exist, cannot be discerned at this time, although the area

<sup>5</sup> The usual application of this land classification is for residential or commercial/industrial uses. In this context, the land use is more appropriately assumed to be industrial or industrial development (future).

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			plan, now under development, may discern such a location. See final recommendation for further detail on this aspect.
Map 2	Jones Island, ADL 414853, 414857	RMG Pre-1983	The islands that constitute this selection are no longer present and the state cannot convey navigable waters. See 'Changed Locations of Island Selections' in this decision. Note: A portion of Jones Islands in U014N010E matches, in a general way, with the location of this island depicted in the BLM MTP, but because of the resource characteristics of this selection, it is most appropriately classified Oil and Gas Land.
Map 3	Jones Island ADL 414852	RMG Pre-1983	The islands that constitute this selection are no longer present and the state cannot convey navigable waters. See 'Changed Locations of Island Selections' in this decision.
Map 4	Jones Island ADL 414852	RMG Pre-1983	The islands that constitute this selection are no longer present and the state cannot convey navigable waters. See 'Changed Locations of Island Selections' in this decision.
Map 5	Midway Island ADL 414852	RMG Pre-1983	The islands that constitute this selection are no longer present and the state cannot convey navigable waters. See 'Changed Locations' of Island Selections' in this decision.
Map 6	McClure Island ADL 414852	RMG Pre-1983	The islands that constitute this are no longer present and the state cannot convey navigable waters. See 'Changed Locations' of Island Selections in this decision/selection
Map 7	Tigvariak Island ADL 414852	RMG Pre-1983	Tigvariak Island has been determined to be present at the same general location as depicted in the BLM MTP. However, this island is considered essential to the

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			support of future oil and gas operations and therefore warrants an Oil and Gas classification.
Map 8	Stockton Island ADL 414854	RMG Pre-1983	The islands that constitute this area are no longer present and the state cannot convey navigable waters. See 'Changed Locations' of Island Selections in this decision.
Map 9	Bullen Point Area ADL 414854	RMG Pre-1983	The islands that constitute this area are no longer present and the state cannot convey navigable waters. See 'Changed Locations of Island Selections' in this decision.
Map 10	Maguire Island ADL 414854	RMG Pre-1983	The islands that constitute this area are no longer present and the state cannot convey navigable waters. See 'Changed Locations' of Island Selections in this decision.
Map 11	Flaxman Island ADL 414854	RMG Pre-1983	The islands that constitute this area are no longer present and the state cannot convey navigable waters. See 'Changed Locations' of Island Selections in this decision.

Based on the results of this analysis *all* of the selections warrant an Oil and Gas classification. This is a non-conveyable classification under AS 29.65.130(10) and therefore none of the municipal selections can be conveyed absent reclassification, and this analysis has determined each selection is related directly or indirectly to oil and gas exploration and development and therefore warrants an Oil and Gas land classification. At this time, it cannot be determined that even a portion of one of these selections should be reclassified to Settlement Land.

**C. Conclusion and Determination**

All of the NSB's selections that are under consideration in this decision are not presently conveyable because they are subject to the pre-1983 RMG classification, which is not conveyable. *See* AS 29.65.130(10)(D). The NSB's selections could be denied on that basis alone. However, because of the importance of the NSB's municipal entitlement, DNR considered potential reclassification of the NSB selections. DNR has discretionary authority under AS 38.05.300 to reclassify land, and DNR maintains the ability to reclassify an area, or all or portions of the parcels selected where it is appropriate from a land use standpoint and where it is in the public's interest to do so.

If DNR were to reclassify the oil field area as a whole, it would be reclassified as oil and gas land, and these parcels would ultimately be rejected in an entitlement decision as non-conveyable

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under AS 29.65.130. On the other hand, DNR has determined that, notwithstanding the appropriateness of oil and gas classification over the whole area, some individual parcels might be reclassified to settlement land, in whole or part. The NSB's municipal entitlement applications for these parcels could be approved if the parcels otherwise meet the standards for conveyance under the Municipal Entitlement Act (which standards are evaluated in the "Municipal Entitlement Decision" section of the PD). However, most of the offshore islands cannot be conveyed since the location of the MTP depiction of these islands differs from the current on-the-ground location, and DNR can only convey that area(s) described in the legal description of the BLM TA or Patent to the state. There is no prudent basis to determine that portions of the large upland selection at Nuiqsut can be appropriately reclassified to Settlement absent the detailed analysis of development potential that will be provided in the DNR area plan, now under preparation.

**VI. DESCRIPTION OF MUNICIPAL ENTITLEMENTS**

**A. Location and Geographic Features**

**Nuiqsut** falls into the arctic coastal plain in Northern Alaska. The arctic coastal plain is characterized by glacial features such as thaw lakes, marshes, and polygonal patterned ground. The coastal plain extends southward from the shoreline approximately 30 miles into the coastal lowlands. Underlying soils vary in the coastal plain.

**Barrier Islands** are located off the northern tips of Alaska. The groupings of islands are similar in physical features. Flat upland areas with tidally influenced wetlands are dispersed on the outer edges of the island. These islands are consistently affected by the tides and are always moving, which in turn, means the geographical features are always changing.

**Borough/Municipality:** North Slope

**Meridian:** Umiat

**Regional Native Corp.:** Arctic Slope Regional Corporation

**Native Village Corp.:** Inupiat Community of Arctic Slope, Point Hope Village, Point Lay Village, Wainwright Village, Atkasuck Village, Nuiqsut Village, Anaktukvuk Pass, Kaktovik Village

**USGS Map Coverage:** Beechey Point, Alaska (1: 250,000); Harrison Bay (1:250,000); and Flaxman Island (1:250,000)

<b>Map #</b>	<b>Municipal Entitlement Selection</b>	<b>USGS</b>
1	Nuiqsut	Harrison Bay A-1, Harrison Bay A-2
2	Jones Islands West	Harrison Bay C-1, Beechey Point C-5
3	Jones Islands Central	Beechey Point C-4, Beechey Point B-4
4	Jones Islands East	Beechey Point B-4, Beechey Point B-3
5	Midway Islands	Beechey Point B-3
6	McClure Islands	Beechey Point B-1
7	Tigvariak Island	Beechey Point A-1
8	Stockton Islands	Flaxman A-5, Flaxman Island B-5
9	Bullen Point	Flaxman Island A-5
10	Maguire Islands	Flaxman Island A-4
11	Flaxman Islands	Flaxman Island A-4

**B. Third Party Interest - Land Title – Legal Descriptions**

Table 6 below identifies the borough selections by map number, area name, and legal description [Umiat Meridian (UM), Township (T), Range (R), Section (S)]. It also includes title status, date, state case file and any third party interests affecting those lands owned by the stat that may be conveyed to the borough. Because only one selection may be conveyed to the borough, third party interests are only identified for the Nuiqsut selection in this table. The state holds fee title to the land and the mineral estates through either a patent, quitclaim deed or a Tentative Approval (TA) from the Bureau of Land Management (BLM). If the state determines that all or portions of a selection should be conveyed to the borough, the state will only convey the land estate on those approved state lands to the borough, and will retain the mineral estate in state ownership.

**Table 6  
Legal Description – Land Status**

**Map 1: Nuiqsut**

T. 10 N., R. 6 E., Sections 21-28 and 33-36, UM

T. 09 N., R. 6 E., Sections 1-4, UM

Title	Date	State Case File
TA: F-031804, F-031805	October 9, 1964	GS 1291
Third Party Interest: YES		
<ul style="list-style-type: none"> <li>• LAS 26583- Brooks Range Petroleum Corporation; Permit; All Sections</li> <li>• LAS 29523- Conoco Phillips Alaska, Inc.; Permit; Sections 21-24</li> <li>• TWUA A2014-117- Repsol E&amp;P USA Inc.; Water Use Authorization; Section 24</li> <li>• TWUP A2011-153- Conoco Phillips Alaska, Inc.; Water Use Permit; Section 23</li> <li>• TWUP A2012-138- Brooks Range Petroleum Corporation; Water Use Permit; Section 24</li> </ul>		

**Map 2: Jones Islands - West**

T. 14 N., R. 08 E., Sections 19, 20, 29, and 32, UM

T. 14 N., R. 09 E., Sections 13, 15-18, 21-23, UM

T. 14 N., R. 10 E., Sections 15-18, 21-24, UM

Title	Dates	State Case File
Patent: 50-74-0091	March 27, 1974	GS 1283

**Map 3: Jones Islands - Central**

T. 14 N., R. 11 E., Sections 19, 27-30, 34, 36, UM

T. 14 N., R. 12 E., Section 31, UM

T. 13 N., R. 12 E., Sections 5, 6, 8, 9, 10, 13-16, UM

Title	Dates	State Case File
Patent: 50-74-0091 (14N, 11&12E)	March 27, 1974	GS 1283
Patent: 50-91-0136 (13N, 12E)	October 4, 2011	GS 1308

**Map 4: Jones Islands - East**

T. 13 N., R. 13 E., Sections 16-18, 21, 28, 34, 35, UM

T. 12 N., R. 14 E., Sections 4-6, 9, 10 UM

Title	Dates	State Case File
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Patent No. 50-74-0091 (13N, 13E)	March 27, 1974	GS 1283
12N14E: no surface estate owned		

**Map 5: Midway Islands**

T. 13 N., R. 15 E., Sections 16-18, 21, 22, UM

T. 12 N., R. 15 E., Sections 26, 28, 35, 36, UM

Title	Dates	State Case File
Patent: 50-74-0091	March 27, 1974	GS 1283
Patent: 50-2012-0014	October 20, 2011	GS 1336

**MAP 6: McClure Islands**

T. 12 N., R. 18 E., Sections 13, 14, 15, 24, UM

T. 12 N., R. 19 E., Sections 29, 30, 32, 33, UM

T. 11 N., R. 19 E., Section 4, UM

Title	Dates	State Case File
Patent:50-74-0093	March 27, 1974	GS 1283

**Map 7: Tigvariak Island**

T. 10 N., R. 19 E., Sections 2, 3, 10-14, 23, UM

T. 10 N., R. 20 E., Sections 18, 19, UM

Title	Date	State Case File
Patent No. 50-86-0102	January 17, 1986	GS 1362
Patent No.50-74-0092 (10N,20E)	March 27,1974	GS 1371

**Map 8: Stockton Islands**

T. 11 N., R. 20 E., Sections 14-17, 23, 24, UM

T. 11 N., R. 21 E., Sections 19, 30, 31, UM

T. 10 N., R. 21 E., Section 4, UM

Title	Date	State Case File
Patent No.50-74-0093	March 27, 1974	GS 1283
Patent No.50-74-0092	March 27, 1974	GS 1371

**Map 9: Bullen Point**

T. 10 N., R. 21 E., Sections 29, 32, UM

Title	Date	State Case File
Patent No.50-74-0092	March 27, 1974	GS 1371

**Map 10: Maguire Islands**

T. 10 N., R. 22 E., Sections 7-14, 27, 28, 33, 36, UM

T. 10 N., R. 23 E., Sections 7, 8, 16, 17, 21, 27, 28, 35, UM

Title	Date	State Case File
Patent No.50-74-0092	March 27, 1974	GS 1371

**Map 11: Flaxman Island**

T. 10 N., R. 23 E., Sections 23-25 UM

T. 10 N., R. 24 E., Sections 19, 20, 26-29,33-36, UM

Title	Date	State Case File
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Patent No. 50-74-0092	March 27, 1974	GS 1371
TA: 2011-000638-0	September 22, 2011	GS 1351

As previously indicated, Table 2 identified all of the oil and gas leases affecting the various selections. Although the decision does not recommend the conveyance of any of the selections, it is appropriate to identify the potentially affected oil and gas leases, both to identify the oil and gas interests affecting state land and to identify these leases in the event that certain of the selections or portions of selections are ultimately conveyed to the borough. All oil and gas leases affecting the subject parcels remain under the jurisdiction and control of the state. Such leases pertain to the sub-surface or mineral estate, whereas the municipal land selections pertain to the surface estate only. It is important to note that oil and gas lease holders have a right to use the surface of the land for purposes of exploring, developing and producing subsurface resources (See AS 38.05.125; AS 38.05.130; 11 AAC 83), and oil and gas leases may affect the use of the surface estate. Authorizations issued under the authority of the subsurface leases are not identified in the listing of third party interests and should be researched with the assistance of DNR, Division of Oil and Gas (“DOG”).

#### **B. Background**

All of the selected parcels require reclassification in order to make them conveyable and this, in turn, requires an analysis of the appropriateness of reclassification in the Central North Slope oil field, presented previously. The land classification analysis concluded that parcels or portions of parcels affected by the RMG Pre-1983 land classification were inappropriate to be reclassified to Settlement land, making them potentially conveyable as municipal entitlement lands. Rather, it determined that should the Central Oil Field be reclassified from RMG Pre-1983 to another classification, that the appropriate classification would be Oil and Gas Land.

In the event that this decision determines that a parcel or a portion of a parcel is potentially conveyable, “[t]he director may disapprove a selection only upon a finding that the public interest in retaining state ownership of the land outweighs the municipality’s interest in obtaining the land.” AS 29.65.050(c). This portion of the decision evaluates, under the standards of the Municipal Entitlement Act, the appropriateness of *conveyance* of the NSB’s selections. Only where the parcel is classified as or could be reclassified to a conveyable classification AND where the Borough’s interest in obtaining the parcel outweighs the state’s interest in retaining it could a selection be proposed for conveyance to the NSB in satisfaction of its municipal entitlement.

#### **C. Conveyance under the Municipal Entitlement Act**

##### **1. Timing of Selections**

AS 29.65.040(c) provides that in order to satisfy its general grant entitlement of 89,850 acres, the NSB may select or nominate land “at any time before October 1, 1990.” The selections that are the subject of this decision were made somewhat later than this date on July 4<sup>th</sup>, 1993. However, DNR accepted the late selections, and denial of these selections now on the basis of timing would be unreasonable. Further, AS 29.65.040(e)(1) provides that the time limits of AS 29.65.040(c) do not apply to “the portion of an entitlement that cannot be satisfied by that date because of a shortage of land suitable for residential, commercial, and industrial purposes that is vacant, unappropriated, unreserved land.”

Much of the state-owned land within the NSB is either non-VUU land or may not be preferable for residential, commercial, or industrial purposes. Much of the land in the NSB is difficult to access or is located many miles south of the developed areas of the Borough. At this time, this land has limited near-term development potential.

Based on these considerations, DNR concludes that the Borough's selections that were made after October 1, 1990, and which are under consideration in this decision, will not be rejected as untimely. DNR notes, however, that its decision to adjudicate the Borough's applications does not establish a precedent to prevent it from rejecting untimely entitlement applications in the future, either at the time they are made or thereafter.

## **2. Changed Location of Islands**

In order for land to be conveyed to a municipality, the state must either have TA or patent to the land. In the case of the offshore barrier islands that front the coast, DNR conducted an analysis of the current location of these islands, depicted in Maps 3 through 11, against the legal description of the federal conveyance document portrayed on the BLM MTP using information available in Alaska Mapper and from current satellite imagery. The results of this analysis are included in Attachment B. This analysis determined that with two exceptions, the islands no longer exist, have moved in position viv-a-vis the MTP depiction, deviate substantially from the MTP location, or are now part of larger upland areas. DNR can only convey that land that corresponds to the BLM MTP, and such correspondence no longer exists, the area in question is under water, or is part of an upland area. (That is, the selection is no longer an island.) DNR cannot convey such areas.

## **3. Balancing of Interests**

This portion of the decision analyzes whether the state's interests in retaining all or any of the NSB's potentially conveyable selections outweighs the NSB's interests in obtaining the selections, including consideration of DNR's prior decision to reject the NSB's 1973 Prudhoe Bay selections, and the affirmation of that decision by the Alaska Supreme Court in *North Slope Borough v. LeResche*, 581 P.2d 1112 (Alaska 1978). The state may reject a selection, where it otherwise meets conveyance criteria, only when the "public interest in retaining state ownership of the land outweighs the municipality's interest in obtaining the land." AS 29.65.050(c).

As mentioned, when the legislature revived the NSB's municipal entitlement, it specifically exempted Prudhoe Bay and other oil field land from the definition of VUU land. AS 29.65.130(10)(D). This action was taken after, and with the express awareness of, DNR's decision to reject the NSB's previous municipal entitlement selections within the Prudhoe Bay field on the grounds that the character of the selections within the area of the Prudhoe Bay field and their importance to the state's interests precluded their conveyance to the NSB. The legislature's action was also taken with knowledge that the Alaska Supreme Court had specifically affirmed DNR's denial of the oil field selections in *North Slope Borough v. LeResche*, 581 P.2d 1112 (Alaska 1978). DNR's previous decision on the NSB's 1973 selections, together with the *LeResche* court's affirmance of

that decision and the legislature's subsequent exclusion of oil field land, creates a functional presumption that the state's interest in retaining oil field land outweighs the NSB's interest in receiving it.

In order to approve conveyance of the selected oil field land to the NSB, DNR must be able to demonstrate that conditions have changed sufficiently since 1973 such that the state's interest in retaining the land no longer outweighs the NSB's interest in obtaining the land. To support such a finding – and overcome the presumption created by DNR's original decision – it is necessary for DNR to address the factors previously identified by DNR in its decision on the NSB's 1973 selections, which were also analyzed by the *LeResche* court. Specifically, these factors include: (1) the state's expectation of future revenue from the land, (2) the extent to which plans and programs remain dependent on those funds, (3) the extent to which continued state ownership of the surface estate would facilitate state regulatory authority of the oil field and tend to protect state revenues, (4) the extent to which state ownership would lessen the likelihood of conflicts between mineral lessees and the surface estate owner, and (5) the extent to which the placement of facilities necessary for the efficient operation of the oil field could be affected by conveyance or retention of the land. In addition, any other factors may be considered in determining what interests the state has in the land selected, and whether those interests are paramount to the NSB's interests in obtaining the land in fulfillment of its municipal entitlement. A general analysis of these factors is followed by a parcel by parcel analysis.

#### **A. General Analysis of Interests Affected<sup>6</sup>**

**Expectation of Future Revenue.** The state continues to receive the majority of its revenues from the oil production in the Central North Slope oil field and it is virtually certain that such revenues will continue to play a significant role in the state's budget. Continuing production in the Central North Slope oil field will provide significant state revenues for a substantial period of time. It is likely that the less economic oil fields in the area will also come into production over time as a result of continuing strong demand and improvements in technology allowing for production from previously marginal reservoirs. The likelihood of significant gas production is also on the horizon. The state's expectation of financial revenue from the oil field<sup>7</sup> generally has not materially decreased since 1973, and in fact has increased. While most of the potentially conveyable industrial areas might not individually produce significant revenues relative to the royalties derived from the subsurface resources that the state retains, all or portions of the individual sites are nevertheless highly important to the support of the entire oilfield operation. Conveyance to the NSB of all of these areas could, therefore, affect the income stream as a whole. However, conveyance to the Borough of areas that are not

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<sup>6</sup> The analysis that follows is of a general nature but applies to the selections of this decision. A more detailed analysis of these factors specific to the Nuiqsut and offshore barrier islands is provided by a recent analysis prepared by the Division of Oil and Gas (DOG). This analysis is contained in the section of this decision under Agency Comments. These comments are incorporated by reference and function to describe the relation of the factors in the *LeResche* decision to the aforementioned selections in a more specific manner. See Attachment C.

<sup>7</sup> In this analysis, the general North Slope area of oil and gas resources is referred to either as 'oil field' or 'Central Oil Field'. This distribution coincides, generally, with the map depicting municipal selections and infrastructure.

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essential to the access, exploration, development, and production of the oil field, or transportation of the produced oil and gas, or that would not significantly affect the state's overall income could be possible.

**Dependency of State Plans and Programs.** State plans and programs are dependent on income generated from the oil field operations and this situation is unlikely to change. Over 88% of the state's unrestricted general fund revenue is oil attributed and it is unlikely, given the inability of other economic bases (like agriculture or fishing) to provide an effective alternative revenue source that this dependence will change. The state's ability to create alternative economic bases has been mixed at best and most analyses that have occurred over the last ten years have concluded that the state will remain dependent on oil and gas royalties for revenue for the foreseeable future.<sup>8</sup> This dependency has not decreased since 1973, when oil production on the North Slope was in its infancy, and in fact has increased in the face of fiscal decision based on current production and price, that has been supported by enhanced oil recovery operations and further field development.

**State Regulatory Control over Surface.** Continued state ownership of the surface would facilitate state regulatory authority over the oil field. If parcels are conveyed to the Borough, the state would still maintain control over the oil and gas leases and surface operations approvals (Lease Operations – North Slope or LONS) that affect the conveyed land. With few exceptions, all of the selections are affected by these leases and approvals by DNR. The leases give the lessees the exclusive right to drill for, extract, and dispose of oil, gas and associated substances; and the nonexclusive right to install pipelines and build structures on the leased areas to produce, store, treat, process, and transport these substances. DOG has the authority to approve the plans of operation and improvements allowed under the lease. This constitutes a control over the type of land use that would be allowed on the surface. Due to the nearly exclusive use of this area for intensive oil and gas production, development, and support services, this could result in disputes between the state and the Borough over the types of uses that could occur on land conveyed to the Borough and, at a minimum it would result in the need to coordinate with the Borough on an on-going basis on issues perceived inconsistent with the state lease terms and conditions and borough policies and authorized activities.

These leases and authorizations for the North Slope state lands are likely to continue for an indefinite period, given continuing interest in the oil and gas resource available. Many of the leases were issued in the early 1960's and formed into units; some leases were issued more recently due to changes in unit boundaries, and some leases were leased, expired, and leased again when brought back for competitive bid. Regardless of the original lease issuance date and date of expiration, if unitized, unitization extends the leases' primary term until such time as the unit is contracted and the contracted lease and certified well is relinquished. The Central North Slope oil fields, although declining, still provide the greatest percentage of royalty revenues to the state, and are expected to

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<sup>8</sup> See revenue sources books, located at <http://www.tax.alaska.gov/programs/sourcebook/index.aspx> (February 26, 2009).

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continue substantial production into the future due to increases in technology allowing for production from previously marginal reservoirs (enhanced oil recovery). Further, commercial gas production in the future is anticipated, which could extend oil production in the area for the duration of commercial gas production and transportation.

Regulatory control over the Central North Slope oil field is maximized by continued state ownership of the entire surface. Not conveying land to the Borough ensures that the present management program for oil and gas development will continue, including uses related to the surface. Conveying the surface to the Borough would create the potential for conflicts between the mineral lessees and the Borough, and between the state and the Borough. Should either of these situations occur, DNR's regulatory control over the surface would be diminished and that control is important to systematic and efficient oil and gas development.

The state's need to maintain regulatory control over the surface in order to allow for the orderly management and development of oil and gas facilities and mineral leases, has not changed since 1973. However, conveyance to the Borough of areas that are not essential to the operation or development of the oil field may not significantly affect the state's overall management of the surface operations or conflict with the management of state oil and gas leases or permits.

**Conflict with Mineral Lessees.** As also discussed in the previous paragraphs, continued control of the surface would materially lessen the potential for conflict with the mineral lessees. The need to maintain this control over the field as a whole has not decreased since 1973 and, in fact, has increased with increased development and changes in regulations. As indicated above, the state would retain the oil and gas leases if state land were to be conveyed to the Borough, and virtually all of the parcels are affected by both these leases and by Plans of Operation authorizations. The leases are directly between the state and the successful qualified interests, often oil companies. The Department of Oil and Gas has the authority to approve plans of operations and improvements, including authority over what can and cannot occur on the surface as established in terms and conditions and proposed in the plans. The leases lessees' adherence to the terms and conditions of the lease unit and approved plans essentially manage over the type of land use that can and cannot occur on the surface.

If land is retained by the state and is to be managed primarily, if not exclusively, for oil and gas development, the expectation would be that the surface (land) also would be available for oil and gas development. Conflict between the state and the oil companies would be minimal or at least no greater than it now occurs, and in any event the conflict likely would be over plans of operations, not other issues. Conveyance of land to the Borough creates the potential for additional conflict. As landowner, the Borough has a greater ability to place restrictions on land than it might have under local planning and zoning ordinances. Borough ownership and management of the surface could require an additional level of review for authorizations, which could increase the timelines for getting projects started and approved. Additionally, the Borough could sell or lease the property to other parties, further complicating management of the land. A question of authority over surface uses could exist because, among other reasons, the state would retain the oil and gas leases, but the Borough would acquire direct management over the surface itself. The Borough may exercise a different perspective than the state in the

administration of its land and could permit land use development that might promote short term gains, but complicate the long term development of oil and gas facilities. In the latter case, additional local requirements could result in conflicts between the oil company and the Borough or its successors over appropriate uses, which might be further complicated by the state retaining control over the surface through the oil and gas leases. A variant situation could exist where the Borough might want to pursue development of the surface to which the state might object, based on the need to maintain the surface for oil and gas purposes. In either situation, further complication and uncertainty is introduced into oil and gas development, which is avoided by simply not transferring state land. This lessens the chance for conflict between the Borough and the state or the oil and gas lessees to arise. Accordingly, it can be concluded that the potential for conflict with lessees has not decreased since 1973 and, in fact, has increased with expanded development.

**Placement of Facilities.** The retention of the surface would ensure that the placement of facilities could occur and that such placement would be consistent with the state's long term management objectives for the oil field. To the degree that portions of the oil field are conveyed to the Borough, the state loses control over portions of the surface. The state then loses the ability to determine the best placement of facilities since the entire oil field will not be under a single administrative entity. The state's ownership of land ensures that the placement of facilities to support oil and gas development is optimal for the state's interests in managing the land and receiving the benefits of its mineral leases. Retaining land in state ownership ensures that the placement of facilities will not be affected by bifurcated ownership. The desirability of maintaining ownership of the surface, to expedite oil and gas development, has not materially decreased since 1973 and, in fact, has increased with increased development.

The general considerations discussed above weigh heavily in favor of the state retaining currently selected NSB parcels within the oil field area. However, DNR again conducted a specific parcel by parcel analysis to determine if there were parcels or portions of parcels that could individually be conveyed without negatively affecting the state's public interests. Each of the above general considerations was weighed with respect to each parcel, as well as any parcel specific considerations.

### **B. Parcel by Parcel Analysis of Interests Affected**

In this part of the decision, DNR analyzes the state's and the NSB's interests in each individual parcel, under the standards of the Municipal Entitlement Act. Based on this parcel by parcel analysis, the general analysis above, and the land classification analysis in Section IV, DNR makes its proposed decision regarding each parcel. Reference should be made to the attached maps for general identification of the areas discussed.

**Map 1—Nuiqsut.** This parcel occupies vacant, level terrain in the western part of the Central Oil Field. The subsurface associated with selection is associated with known oil and gas potential, as "determined for the resource potential north of the Alaska North Slope Royalty Line as established in the terms and conditions of the annual North Slope Area Wide Lease Sale."<sup>9</sup> Map 3 depicts the general location of this parcel and identifies

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<sup>9</sup> Derived from DOG 2015 analysis. See Agency Comments.

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a number of oil and gas related facilities, including the Alpine to Kuparuk CPF-2 Pipeline, the Alpine Re-Supply Road, the Nuiqsut to Spine Road, and the ‘Gravel Road’ to the DS-2K Pad. According to the 2015 DOG analysis, there are presently 12 oil or gas well surface locations, two pipelines and one primary road.” A number of lacustrine wetlands, in addition to palustrine wetlands are present in the parcel, and the area contains important waterfowl and seabird concentrations. It is also an important caribou winter and calving area, occupying a portion of a much larger area that is part of the caribou’s winter and calving range.

If this parcel were to be developed, it would be for industrial purposes or utilized for direct oil and gas facility support. Conveyance to the NSB could compromise access between the developed industrial areas and other areas of the oil field and limit future industrial expansion. Disputes over access or industrial expansion would be detrimental to the operation and development of the field. Retention of this site would reduce the risk of disputes between the NSB and the State or the oil and gas lease holders over future industrial development essential to the operation or development of the field because it would provide a reasonable alternative site for such development. The public interest in a retained ability to control industrial development is best protected by the retention of this parcel in state ownership.

DNR proposes to reject the NSB’s application for the Nuiqsut parcel in its entirety. Part of the reason for the rejection concerns the size of the area that could be developed and not being able to realistically determine what, if any, portions would be developed. Aspects of this issue should be resolved through the preparation of the North Slope Management Plan but the planning process is not far enough along to make a realistic determination of which areas might be appropriate for development. Because of the timing aspect, it is premature to conclude that some smaller portion of the parcel may not be suitable for development. See the final decision portion of the PD for the recommendation pertinent to this aspect.

**Maps 2 through 11—Offshore Islands.** The offshore islands are not conveyable in nearly all instances since the current location of the islands does not correspond to their position in the BLM MTPs. DNR can only convey that land we obtained from the federal government through TA or patent, and these locations now coincide with navigable waters, which are not conveyable and are outside the authority of this decision to convey. In the few instances where island locations<sup>10</sup> coincide with actual uplands depicted in the MTPs, the state’s interest outweighs those of the borough and these areas are appropriate to be retained by the state. These areas could be potentially be used to directly or indirectly support offshore oil and gas development, an essential state interest. According to a 2015 DOG report, “These lands are part of Alaska’s most prolific and well established petroleum province and are adjacent to the Barrow Arch rift margin, the regional subsurface structure that controls the location of most of northern Alaska’s producible hydrocarbon accumulations.”

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<sup>10</sup> Tigvariak and Flaxman Islands

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These islands are also not conveyable because they are classified RMG Pre-1983 and are not appropriate for reclassification to Settlement, based on the results of the Land Classification Analysis.

### **c. Conclusion**

Based on the analysis above, DNR proposes to reject for conveyance the entirety of the selections that are the subject of this decision. However, this decision recognizes that the North Slope Management Plan (NSMP) may conclude that the development of a portion of the Nuiqsut selection may be appropriate for industrial purposes without adversely affecting the overall management and development of the Central Oil Field and it provides a mechanism for the conveyance of such an area under certain conditions. This process is further described in the Recommendation section of this decision.

## **VII. PRELIMINARY DECISION**

### **A. Background**

In 1973, the North Slope Borough filed applications for its municipal entitlement that selected lands overlying the developing oil fields on the North Slope of Alaska, at that time consisting primarily of the Prudhoe Bay field. The director of the Alaska Department of Natural Resources Division of Lands rejected those applications on the basis that it was in the best interests of the state to retain the lands. DNR's decision was upheld by the Alaska Supreme Court in *North Slope Borough v. LeResche*, 581 P.2d 1112 (Alaska 1978). While pursuing its appeal in the *LeResche* decision, the NSB allowed its right to select any further municipal entitlement lands under the then-current law to expire. *See* former AS 29.18.211(a); 1980 Inf. Op. Att'y Gen. (Nov. 3; A66-059-81) (1980 WL 27920). In 1987, the legislature amended the Municipal Entitlement Act and granted the NSB new municipal entitlement rights.

Under the 1987 amendment, the NSB was granted a land entitlement of 89,850 acres. AS 29.65.010. At the same time, the Legislature excluded from the definition of VUU land all land that was classified as resource management land prior to September 1, 1983. AS 29.65.130(10)(D). By this exclusion, the Legislature intended to prevent the NSB from receiving land within the Prudhoe Bay field, which was virtually all classified as resource management land prior to 1983, as part of its municipal entitlement. *See* Minutes of the Senate Community and Regional Affairs Committee, March 5, 1987; Minutes of the Senate Finance Committee, April 9, 1987.

Under the 1987 law, the NSB filed new municipal entitlement applications. Despite the Legislature's exclusion of pre-1983 resource management lands from the definition of VUU, many if not all of the NSB's new selections include pre-1983 resource management lands that overlie the Prudhoe Bay and surrounding oil fields/areas.

### **B. Planning, Classification, and Mineral Orders**

#### **1. Planning**

There are no DNR Area or Site Specific Plans that currently affect the parcels under consideration in this decision. These are within the planning area of the North Slope

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Management Plan, now underway, but that planning process is still in its scoping and resource/land status analysis phases.

## **2. Land Use Classification**

Land classification order 618 (adopted March 24, 1969) affects all selections within this decision. These areas are classified Resource Management Land Pre-1983, a non-conveyable classification.

## **3. Local Planning**

The borough has both a comprehensive plan and area wide zoning. These were consulted during the preparation of this decision. Within the area of this decision, the borough has identified this area as appropriate for oil and gas development, under certain conditions and restrictions.

## **4. Mineral Orders**

Currently there are no mineral orders affecting these selections and the subsurface of the selections are open to mineral entry. A Mineral Order (closing) is in the process of development and, based upon the results of public review, the selections may be closed in the future to locatable mineral entry.

## **C. Access**

The main access for the public is with boats in the summer, vehicle use of ice roads in the winter, and, depending on depth of snow cover on the tundra, snow machine use in certain areas. There are, in some cases, areas where a plane could land on a beach or a designated small airstrip. However, aircraft use is minimal.

If certain portions of the Nuiqsut selection are determined to be appropriate for conveyance public access will be reserved in accordance to AS 19.10.010, AS 19.30.400, AS 38.05.125, AS 38.05.127 and 11 AAC 51. Again, these standards will only apply if land is conveyed to the borough and only specifically to that area.

### **1. Section Line Easements**

Section line easement (SLE) will be imposed in accordance with AS 19.10.010 and 11 AAC 51.025. SLE's are typically 50 feet in width adjacent to surveyed and protracted section lines on each side on state owned land.

### **2. Trails, Roads, and RST Rights-of-Way**

DNR will protect public access for preexisting trails under 11 AAC 51.045 and 11 AAC 51.015(d)(1)(e).

### **3. To and Along Easements**

A public access easement of 50 feet in width upland of the Ordinary High Water Mark (OHWM) and Mean High Water Mark (MHWM) will be reserved on all water bodies and waterways determined to be public or navigable waters in accordance with AS 38.05.127 and 11 AAC 51. This easement is referred to as the 'along' easement. The 'to' easement is to be established

approximately once each mile and is often provided through section line easements of 50 feet in width adjacent to the section line on each side (AS 19.10.010 and 11 AAC 51.025). The ‘along’ easement applies to these water bodies and the ‘to’ easement is intended to provide access to the ‘along’ easements.

**D. Navigable and Public Waters**

Water bodies determined to be navigable or public waters are determined based on the criteria in 11 AAC 51.035 and are defined and are described as follows:

*Navigable water:* a water body at least 50 acres in size or a waterway at least 50-feet in width from the OHWM to the OHWM. The state will retain the bed of navigable water in state ownership, including all gravel bars and islands. A water body will also be considered navigable if it is found navigable for a useful public purpose in accordance with AS 38.05.965(13).

*Public water:* a water body at least 10 acres but less than 50 acres in size or a waterway at least 10-feet but less than 50-feet in width from the OHWM to the OHWM. The state will convey the bed of public water to the municipality.

**TABLE 7**

**NAVIGABLE WATERS EASEMENT REQUIREMENTS**

The following waters have been determined to be either public or navigable within the Nuiqsut selection.<sup>11</sup> Both along and to easements will be imposed on the area conveyed to the borough, should that area be determined to be appropriate for conveyance and assuming that these waterbodies affect the area being conveyed.

<b>Umiat Meridian, Township, Range</b>	<b>Section</b>	<b>Water body Name</b>	<b>Public Access Easement</b>
T10N, 06E	23	Unnamed Lake	50 Feet
T10N, 06E	25, 26	Unnamed Lake	50 Feet
T09N, 06E	3	Unnamed Lake	50 Feet

**TABLE 8**

**PUBLIC WATERS BUFFER AND EASEMENT REQUIREMENTS**

<sup>11</sup> The Public Access and Defense (PAAD) unit of DNR identified three water bodies that may be considered public and navigable under 11 AAC 51.035(b) within those lands proposed to be conveyed. PAAD also identified one water body that is public water but not navigable within those lands to be conveyed

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Township Range	Section	Water body Name	ADFG Anadromous Catalogue #	Riparian Buffer adjacent to 'Public Water'	Public Access Easement
T10N, 06E	21	Unnamed Stream	330-00-10700-2090-3032	100'	50 feet

The location of the OHWM of public waters will be determined at the time of survey, which will also define the specific areas to be retained by the state adjacent to public waters. Furthermore, at the time of survey, field work performed by the surveyor may determine that a body of water or waterway is different than identified in this decision. The results of such survey work must be reviewed further within DNR. If the field work is determined to be accurate, then the survey results will supersede the recommendations in this decision. Prior to conveyance of any approved lands to the borough, a survey is required before issuance of a conveyance document.

**E. Traditional Use Finding**

Disposal of state land with traditional uses are to be reviewed under to AS 38.05.830 in unorganized boroughs. The NSB is an organized borough under AS 29.65.010; therefore, a determination for traditional uses is not required. All of the NSB land selections are within their legal boundary.

**F. Reservation of Mineral Estate**

A conveyance of general grant land to a municipality under AS 29.65 conveys no interest in the mineral estate. All mineral related permits, licenses, claims and leases affecting the subject parcels, if any, will remain under the authority of the state. In accordance with Section 6(i) of the Alaska Statehood Act and AS 38.05.125, the state, in this decision, reserves unto itself the mineral estate, including oil and gas, and the rights expressed in the reservation clause of the statute, that being the right to reasonable access to the surface for purposes of exploring for, developing and producing the reserved mineral resources. Exploration and development, if any, which could occur, would be consistent with AS 38.05.130 and other applicable statutes and regulations.

**G. Hazardous Substances and Contaminations**

It is the responsibility of management for the state to protect the overall public interest if there is a reasonable expectation that hazardous contamination may exist on land being proposed for disposal. Based upon the review of the Alaska Department of Environmental Conservation list of Contaminated Sites in Alaska, hazardous material or contamination from hazardous material is known at this time to affect the Tigvariak Island selection. (This area, however, is to be retained by the state.) In the event that a portion of the Nuiqsut selection is to be conveyed, the borough is expected to inspect these selections and familiarize themselves with regards to the condition and quality of the land. The state makes no representations and no warranties expressed or implied, concerning the existence or absence of any hazardous substances, hazardous wastes, contaminants, or pollutants on the land potentially proposed for conveyance. The State of Alaska does not assume any liability for the removal of hazardous substances, hazardous wastes, contaminants, or pollutants, nor for the remediation of the site should such substances ever be identified.

### **H. Survey and Appraisal**

If it is determined that portions of state land are appropriate for conveyance to the borough, a survey determination will be requested following a final decision to convey. The Borough will be required to survey; at Borough expense any conveyed land determined to be un-surveyed. An appraisal is not necessary because the land will be conveyed to the municipality at no cost.

### **I. Conditional Leases and Conditional Sales**

NSB will receive management authority and equitable title to all land approved for conveyance when/if the conditions for conveyance of a portion of the Nuiqsut selection is determined to be appropriate in the North Slope Management Plan. This will allow the borough to approve conditional leases and make conditional sales pursuant to AS 29.65.070(b), but not to dispose of land approved for conveyance until the land has been surveyed and ownership transferred to the borough.

### **J. Unauthorized Use**

DNR has not physically inspected the land potentially proposed for conveyance for unauthorized use, but it has reviewed department records and it is unaware of any existing unauthorized use. The NSB is expected to and has been given the opportunity to inspect the selected parcels and familiarize itself with the condition and quality of the land.

### **K. Disposition of Leases, Permits, and Applications**

Administration of active leases, permits, and easements issued by DMLW on land that may be conveyed to the Borough will occur when the NSMP is approved, unless such authorizations are specifically excluded from conveyance. Applications for authorizations that have not been adjudicated will be closed and the applicant advised to apply to the Borough to obtain authorization to occupy or use Borough land.

**(Note:** This section does not apply to Plan of Operation authorizations issued by DNR Division of Oil and Gas. These authorizations will remain under the jurisdiction of DNR Division of Oil and Gas and will not be transferred to the Borough.)

### **L. Archaeological Resources**

The State Office of History and Archaeology (OHA) maintains the Alaska Heritage Resources Survey (AHRs), which is an inventory of all reported historic and prehistoric sites in the state. OHA states there *may* be cultural resources within portions of the potentially approved selections. The borough will need to take those actions required by law to protect the sites in accordance with AS 41.35.070 (d).

### **M. Form and Width Requirement**

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All municipal entitlement land selections shall be compact in form with its length not exceeding approximately four times its width pursuant to AS 29.65.070(c). The review of the borough's land selections potentially proposed for conveyance in this decision has been determined to be consistent with this statute. In the unlikely event that there is some question as to whether this requirement has been met, DMLW will reevaluate the area of potential conveyance and shall have the authority to ensure that the requirements of this statute are met.

#### **N. Agency Review: State Agency Comments and DNR Responses**

The intent of agency review is to solicit comments from agencies that may be affected by a municipal entitlement land conveyance. In the agency review process, agencies are given the opportunity to evaluate and comment on individual selections, recommend that all or a portion of the selection be rejected, and recommend stipulations that may be appropriate to protect state interests if the land is approved for conveyance. In all cases, adequate justification must be included with the agency's comments.

##### **Comments from the Office of History and Archaeology**

The office of history and archaeology (OHA) has reviewed the subject project for conflicts with cultural resources pursuant to Section 41.35.070 of the Alaska Historic Preservation Act. Following our review, we offer the following comments:

State law requires all activities requiring licensing or permitting from the State of Alaska to comply with the Alaska Historic Preservation Act, which prohibits the removal or destruction of cultural resources (historic, prehistoric, and archaeological sites, locations, remains, or objects) on land owned or controlled by the state. This also includes reporting of historic and archaeological sites on lands covered under contract with or licensed by the state or government agency of the state.

The Alaska Heritage Resources Database (AHRIS) indicates that there are multiple known cultural resource sites within the proposed land selections. Our office routinely works with the North Slope Borough in coordination with their internal Traditional Land Use Inventory database and permitting processes. As such, we believe the selections would not be likely to result in adverse effects to cultural resource sites. We look forward to consulting further with the NSB on any proposed projects in these areas after the conveyance is finalized.

Response: This decision rejects the conveyance of the borough selections and therefore these concerns are moot.

##### **Comments from the Oil and Gas Division, DNR**

The comments from DOG are extensive and are included as Attachment C.

Response: The concerns of the DOG have been reviewed and DMLW has concluded that these concerns are warranted and, together with other associated results of this analysis, has rejected all of the borough selections.

##### **Comments from the Alaska Department of Fish and Game**

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ADF&G has the following comments and recommendations:

Nuiqsut, ADL 414826 - ADF&G has no objection to the conveyance of this selection to the NSB provided that any existing public roads and trails are reserved.

Response: Acknowledged. However, this selection has been rejected for the reasons noted in this decision.

Barrier Islands, ADLs 414826, 414853, 414854, 414857 – These islands provide habitat to polar bears, migratory birds, such as sea duck, geese, swans, and shorebirds, and also dolly varden, Bering cisco, and least cisco in the near shore waters. It is our understanding that these islands shift from year to year, which cause issues identifying state vs. NSB may land ownership.

ADF&G recommends these lands remain in state ownership in order to protect fish and wildlife habitat as well as prevent future land ownership and management issues as the islands shift from the current locations.

Response: Acknowledged. This selection has been rejected for the reasons noted in this decision.

#### **Comments from the Mineral Property Management Section**

We reviewed the area of entitlement and the Mineral Property Management section has no objection.

Response: Acknowledged.

#### **Comments from the Alaska Department of Environmental Conservation Contaminated Sites Program**

Tigvariak Island is the location of a contaminated site known in our database as ConocoPhillips West Mikkelsen # 2. The status of this site is Conditionally Closed with interim conveyances (ICs) to reflect that some contamination was remaining above what was deemed as applicable cleanup levels. The 2003 decision letter is attached to our database and discusses that the concern for this site would be if the island were to become subject to extreme erosion.

Response: Acknowledged.

### **VII. DISCUSSION AND ALTERNATIVES**

#### **A. Discussion**

This decision rejects the entirety of the borough's selections totaling 17,144 acres that are the subject of this decision, although it does recognize that a portion of the Nuiqsut selection may be appropriate for conveyance under certain conditions. DNR, in its review of these selections, determined that the selections are classified RMG Pre-1983 and are not VUU land under AS 29.65.130(10). They, therefore, are not conveyable to the borough. This review also determined that the selections, if they were to be reclassified, that the resource and use characteristics of the land within the Central Oil Field warrant the use of the Oil and Gas land classification, a non-

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conveyable classification under AS 29.65.130(10). This review also concluded that there is an overriding state interest that warrants retaining state land for the purpose of oil and gas development in the Central Oil Field and that the conditions that warrant conveying state land as described in the LeResche decision have not changed appreciably. Accordingly, the basis for conveyance under the standards of this decision have not been met. Finally, it was found that the position of the offshore barrier islands has changed over time and that the state can only convey that land it received from the federal government. This land is now navigable water, which also is not conveyable under general state standards as well as under the AS 29.65 conveyance authority for municipalities. The selections that are to be rejected are described in TABLE 9 (Land Proposed for Rejection).

However, this decision recognizes that portions of the Nuiqsut selection may be determined to be appropriate for industrial use in a current state planning process and that such a use might not materially affect state oil and gas operations or the overall viability of the oil and gas resources that are the responsibility of the state to manage in the selection areas. The context for this determination would be a recommendation for such an action derived from the North Slope Management Plan, now under development and scheduled to be completed in two years or less.

#### **B. Alternatives**

1. Take no action to approval, reject or postpone the borough's land selections. This alternative would, in effect, preclude the borough's ownership of lands considered to be important to their land base. This action would be inconsistent with the purpose of the Municipal Entitlement Act and inconsistent with the basis for the disapproval of a municipal selection. Such selections can only be rejected when a state's interests outweigh the interest of the borough, and there is no basis for such a determination.
2. Approve the Borough's selection as selected. However, AS 29.65.130(10) precludes the conveyance of state land to the borough where the RMG pre-1983 classification applies. All of the selections are affected by this classification.
3. Reject the borough's selections in their entirety. This alternative would have the same effect as Alternative #1. However, in this particular decision, DNR has determined it is not in the best interest of the State to convey any of the selections to the borough. The reasoning for this recommendation is described under Discussion, above.
4. Reject the borough's selections in their entirety but provide for the potential conveyance of a portion of the Nuiqsut selection through the state management plan, now under preparation. The reasoning for this recommendation is described under Discussion, above.

### **VIII. Recommendation**

#### **A. Recommended Alternative**

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DNR has determined that Alternative #4 is the preferred action and best fits the intent of the Municipal Entitlement Act. The North Slope Borough land selections in Nuiqsut and the Barrier Islands are rejected, although a portion of the Nuiqsut selection may be conveyed to the borough under certain conditions.

### **B. Recommended Conditions, Restrictions, and Reservations**

In the event that a portion of the Nuiqsut selection is determined to be appropriate for conveyance, the following conditions and restrictions will apply. (Note: depending on the amount and location of this area, some of these conditions may apply). DMLW is to determine those conditions and restrictions that will apply to the area at this time. This action by DMLW is to be considered an administrative action and subject to administrative appeal processes, if requested by the borough.

The state land approved for conveyance to the borough will have imposed applicable conditions, restrictions and reservations upon transfer of equitable title and issuance of conveyance documents.

#### **Conditions**

1. All valid existing rights, including reservations, easements, and exceptions in the U.S. Patent or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.
2. Reservation of a 50-foot wide easement adjacent to surveyed and protracted section lines on each side in accordance with AS 19.10.010 and 11 AAC 51.025.
3. The location of the ordinary high water mark (OHWM) of public waters will be determined at the time of the survey in accordance to AS 35.05.127 and 11 AAC 51 to determine where access easements will be placed.
4. Management authority for public access easements is transferred to the North Slope Borough when the NSMP is adopted and this document recommends the conveyance of specific areas of the Nuiqsut selection. No such easements may be vacated, abandoned or otherwise extinguished or rendered incapable of reasonable use by the public without approval of the State of Alaska, unless an alternative means for reasonable public access is provided and approved by the state.
5. Management authority will transfer to the North Slope Borough on those lands approved for conveyance when the NSMP is adopted and recommends the conveyance of specific areas of the Nuiqsut selection.
6. Administration of state land leases and permits pertinent to the surface estate will be transferred to the North Slope Borough once the Final Finding and Decision becomes effective when the NSMP is adopted and recommends the conveyance of specific areas of the Nuiqsut selection. Administration of issued state leases and permits in the mineral estate will remain with the state.
7. On lands approved for conveyance, the North Slope Borough may execute conditional leases and make conditional sales prior to issuance of a state patent in accordance to AS 29.65.070(b).

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8. The net chargeable acreage approved for conveyance shall be credited towards partial fulfillment of the North Slope Borough municipal land entitlement pursuant to AS 29.65.010.

**Reservations and Restrictions**

**Conveyance document will include the following as a subject to:**

1. Valid existing rights, including reservations, easements, and exceptions in the U.S. Patent, or other state or federal conveyance, and in acts authorizing the issue thereof; easements, rights-of-way, covenants, conditions, reservations, notes on the plat, and restrictions of record, if any.
2. Reservation of a 50-foot wide easement on each side of all surveyed and protracted section lines in accordance with AS 19.10.010 and 11 AAC 51.025.
3. Reservation of a continuous public access easement, 50 feet wide upland of and adjoining the ordinary high water mark of all public waters and mean high water marks of all tidal shores pursuant to AS 38.05.127 and 11 AAC 51.
4. Reservation of the mineral estate pursuant to Section 6(i) of the Alaska Statehood Act and AS 38.05.125; and reservation of reasonably necessary access to the mineral estate in accordance with AS 38.05.130.
5. Notification to the Alaska State Historic Preservation Office in accordance with AS 41.35.070(d) is required upon discovery of historic, prehistoric, or archaeological sites, locations, remains or objects.

**C. Land Action on Municipal Selections**

TABLE 9 identifies those selections that the state proposes to reject in this decision. These lands are to be retained by the state for the reasons identified in the section, 'Discussion'. The acreages are estimates (only). Note: subsequent action by the NSMP may determine that portions of the Nuiqsut selection may be appropriate for conveyance to the borough. Should this occur, this action will modify this decision as it relates to this area, which will modify the description in this Table. That is, this area will be identified as 'conveyed' (not rejected).

**TABLE 9  
LANDS PROPOSED FOR REJECTION**

Map # Parcel Name	Umiat Meridian Township, Range	Section Legal Description	Acres
1 Nuiqsut	T10N, R6E T09N, 06E	Sections 1-4 Sections 21-28, 33-36	10,240
2 Jones Islands West	T14N, R08E T14N, R09E T14N, R10E	All lands within township 14 N, Range 8 E All lands within township 14 N, Range 9 E All lands within township 14 N, Range 10 E	1,830

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3 Jones Islands Central	T13N, R12E T14N, R11E T14N, R12E	All lands within township 13 N, Range 12 E All lands within township 14 N, Range 11 E All lands within township 14 N, Range 12 E	1,180,
4 Jones Islands East	T13N, R12E T14N, R11E	All lands within township 13 N, Range 12 E All lands within township 14 N, Range 11 E	649
5 Midway Islands	T13N, R15E T14N, R11E	All lands within township 13 N, Range 15 E All lands within township 14 N, Range 11 E excluding SE1/4 of Section 36	214
6 McClure Islands	T12N, R18E T12N, R19E T11N, R19E	All lands within township 12 N, Range 18 E All lands within township 12 N, Range 19 E All lands within township 11 N, Range 19 E	225
7 Tigvariak Island	T10N, R20E T10N, R19E	All lands within township 10 N, Range 19 E All lands within sections 11, excluding NW1/4; 12; 13; 14; and 23, excluding S1/2	1,070
8 Stockton Islands	T10N, R08E T14N, R09E T14N, R10E	All lands within township 14 N, Range 8 E All lands within township 14 N, Range 9 E All lands within township 14 N, Range 10 E	354
9 Bullen Point	T10N, R21E	All lands within section 29 Islands within W1/2 of section 32	7
10 Maguire Islands	T10N, R20E T10N, R19E	Tract A Tract A	410
11 Flaxman Island	T10N, R23E T10N, R24E	All lands within township 10 N, Range 23 E All lands within township 10N, Range 24 E	965
<b>Total Acres</b>			<b>17,144</b>

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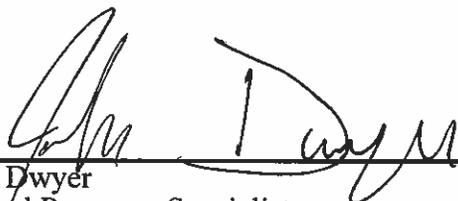
**IX. FINDINGS AND PRELIMINARY DECISION**

The following are the findings for this Preliminary Decision:

1. That it is appropriate to reject approximately 17,144 acres of state land selected by the borough under their Municipal Entitlement for the reasons identified in the section, 'Discussion'.
2. To potentially convey portions (amount to be determined) of the Nuiqsut selection under the conditions described in this decision and for the reason identified in the section 'Discussion'.

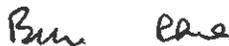
This Preliminary Decision determines that Alternative #4 is the preferred alternative. I reviewed and considered the material in this preliminary decision and find that the recommended action may be in the best interest of the state and the Preliminary Decision is hereby approved to proceed to public notice.

This is a preliminary decision and subsequent public review may result in changes to the preferred alternative or disapproval of the proposed action altogether.



John Dwyer  
Natural Resource Specialist  
Municipal Entitlement Unit

02/09/2015  
Date



Bruce Phelps, Chief  
Resource Assessment and Development Section

2/9/15

Date

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### **PUBLIC NOTICE, DECISION AND APPEAL PROCEDURES**

The public is invited to comment on the Preliminary Decision to reject the conveyance of approximately 17,144 acres of state land to the North Slope Borough. Any comments must be received in writing to the Division of Mining, Land and Water, Resource Assessment and Development Section, Municipal Entitlement Unit, Attention: John Dwyer at 550 West 7<sup>th</sup> Avenue, Suite 1050, Anchorage, Alaska 99501-3579 or by fax (907) 269-8915 or by electronic email [john.dwyer@alaska.gov](mailto:john.dwyer@alaska.gov) and **must be received on or before March 12, 2015** in order to ensure consideration.

A copy of the public notice, the Preliminary Decision and associated maps to the decision are available online under the heading 'DNR Public Notices and Proposed Regulations' on the Alaska Online Public Notice System at: <http://dnr.alaska.gov/commis/pic/pubnotfrm.htm>. The PD and associated maps are attachments to the public notice found at the bottom of the publication notice online under the heading 'Attachments, History, Details: Attachments.

The postmasters in Atkasuk, Anaktuvuk Pass, Barrow, Kaktovik, Point Hope, Point Lay, Prudhoe Bay, Nuiqsut, and Fort Wainwright will be asked to post the notice. Additionally, the notice will be sent to the North Slope Borough, tribal governments in the area of this proposed land transfer, and the Arctic Slope Regional Corporation.

Following the comment deadline, all written responses will be considered and this decision may be modified to incorporate public comments. Only persons who comment during the public comment period will be eligible to file an administrative appeal of the Final Finding and Decision (FFD). A copy of the FFD will be sent to any person who submitted comments on the preliminary decision. The final decision will include appeal instructions. Please direct any questions concerning this decision to John Dwyer at (907) 269-8531, or by fax (907) 269-8915, or email: [john.dwyer@alaska.gov](mailto:john.dwyer@alaska.gov).

The Department of Natural Resources is prepared to accommodate individuals with disabilities by providing auxiliary aids or services when requested. Individuals with audio impairments who wish to respond to this decision by telephone may call the department's Public Information Center in Anchorage between the hours of 10:00 a.m. and 5:00 p.m., Monday through Friday, at TDD# 1-907-269-8411.

### **ATTACHMENTS**

Vicinity Maps: East and West

Maps 1-11(Municipal Selections)

Municipal Selections and Infrastructure

Oil and Gas Lease: Vicinity of Nuiqsut & Barrier Islands

Attachment A: Lease Status in Vicinity of Nuiqsut and Barrier Islands

Attachment B: Barrier Islands: Location Analysis

Attachment C: Oil and Gas Division Comments