

John Boyle
Commissioner

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Department of
Natural Resources

Anchorage, Alaska

STATE OF ALASKA

PRESS RELEASE

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Cook Inlet Oil & Gas Lease Sale Results

(Anchorage, AK) – Today, the Alaska Division of Oil & Gas issued results for its annual Cook Inlet and Alaska Peninsula lease sales. The Cook Inlet sale earned the State of Alaska \$177,636 in cash bonus on three leases encompassing approximately 4,441 acres, with an average net profit share bid of 5%. The Alaska Peninsula sale did not receive any bids.

Today's sale was the second in Cook Inlet to offer net profit share revenue terms rather than a traditional royalty share to the State. Between today's sale and the December 2023 sale – which also fell within fiscal year 2024 – the Division sold leases for more than 19,000 acres. This is higher than the five-year annual average for Cook Inlet (13,418 acres), but less than the two top Cook Inlet sales held in 2022 (27,865 acres combined).

“While the State of Alaska is disappointed by the low level of interest in this sale, it is encouraging to see Hilcorp continuing to invest in oil and gas leases in Southcentral Alaska,” said DNR Commissioner John Boyle.

Hilcorp Alaska, LLC was the sole bidder in today's Cook Inlet sale. The largest tract Hilcorp won is near gas-producing units Pretty Creek, Lewis River and Ivan River on the west side of Cook Inlet. The other two tracts are at the closed Sterling Unit, which has a history of gas production.

Detailed sale results are available on the Division of Oil & Gas website:

<https://dog.dnr.alaska.gov/LeaseSale/SaleArea/Cook%20Inlet>.

The Department of Natural Resources' mission is to develop, conserve, and maximize the use of Alaska's natural resources consistent with the public interest.

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