
MMS Alaska OCS Region

News Release

For Immediate Release

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MMS BEAUFORT SEA SALE 170 GARNERS \$6.2 MILLION FOR U.S. TREASURY

Today, the U.S. Department of the Interior's Minerals Management Service conducted a federal lease sale for tracts in the Beaufort Sea, offshore of Alaska's arctic coast. A total of 4 companies submitted 31 bids for Sale 170, held in Anchorage. The total of all bids submitted was \$6,487,034.

High bids totaling \$6,239,015 were submitted on 29 tracts encompassing about 91 thousand acres. The highest bid received for the sale was \$911,922, submitted by BP Exploration Alaska, Inc., for blocks 6669D, 6719B, and 6719C located offshore Prudhoe Bay.

The area offered for lease extends from the Colville River east toward the Canning River and is believed to hold substantial oil resources.

The State of Alaska will receive a portion of all monies generated from leases on tracts in the 8(g) zone. The 8(g) zone includes tracts three to six miles offshore. Alaska receives 27 percent of the 8(g) income.

MMS worked with an advisory board representing the State of Alaska, the North Slope Borough, the Alaska Eskimo Whaling Commission, local communities, the environmental community, and the oil and gas industry to define the sale area.

"Sale 170 is an excellent example that demonstrates how working with all affected parties is ultimately in everyone's best interest," remarked MMS Director Cynthia Quarterman. The advisory board also developed stipulations giving local communities assurances that their way-of-life would be taken into account and specific concerns addressed.

The MMS has attached requirements similar to those adopted by the State of Alaska to protect Nuiqsut's bowhead whale subsistence harvest in the Beaufort Sea. For leases within 10 miles of Cross Island, no permanent production facilities will be allowed unless the industry operator can show that the development will not prevent reasonable access to whales for subsistence. The North Slope Borough and the Alaska Eskimo Whaling Commission will be consulted.

More complete sale information will be available on the MMS World Wide Web page located at <http://www.mms.gov/omm/alaska/lease/170sale/170.html> by 3:00

p.m. A.S.T. on August 5.

MMS is the federal agency that manages the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf, and collects, accounts for and disburses about \$4 billion yearly in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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MMS' Website Address: <http://www.mms.gov>

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