

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL & GAS

SARAH PALIN, GOVERNOR

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October 22, 2007

The Honorable Charlie Huggins
Chairman, Senate Resources Committee
State Capital, RM 13
Juneau, AK 99801-1182

The Honorable Kurt Olson
Chairman, House Special Committee on Oil and Gas
State Capital, RM 408
Juneau, AK 99801-1182

Dear Senator Huggins and Representative Olson,

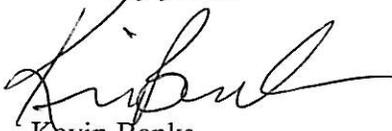
One of my colleagues caught a couple of typos/errors in the presentation I made at the joint session of the Senate Resources and House Oil and Gas committees on Sunday evening, October 21, 2007.

Slide 2 should say that ACES increases the number of days that an applicant may qualify for credits from 150 days to 540 days (not 50 to 540 days as presented).

Also, the new ACES provision for DNR approval before and after an exploration well does not apply to seismic surveys. See Slide 3.

I apologize if this has created any confusion. As always, you are welcome to call me at 269-8781 should you have any questions.

Sincerely yours,



Kevin Banks
Acting Director