

# **State of Alaska FY2012 Governor's Operating Budget**

## **Department of Natural Resources Oil & Gas Development Component Budget Summary**

## Component: Oil & Gas Development

### Contribution to Department's Mission

The Division of Oil and Gas manages oil and gas lands in a manner that assures both responsible oil and gas exploration and development and maximum revenues to the state.

### Core Services

- Promote oil, gas, and geothermal exploration in Alaska.
- Maximize benefits of resource development to the state.
- Maximize financial benefits of oil, gas, and geothermal production to the state.
- Ensure the state's interests are represented in the AGIA process through technical and commercial support.
- Develop marketing strategies and negotiate agreements for the sale of royalty oil and gas to provide in-state benefits and revenue enhancements.
- Ensure that bonus, rental, license fees, net profit, and royalty payments are correct, allocated to the proper revenue fund, and received when due.
- Ensure that shared federal bonus, rent, and royalty revenues are properly received and allocated to the proper revenue fund.
- Ensure that exploration, leasehold, and unit-related operations are conducted in a timely and environmentally sound manner.
- Provide technical and policy support for the Alaska congressional delegation, the governor's office, the legislature, and the commissioner of DNR.
- Provide publicly available existing and new oil and gas related information to technical users, the general public, and the press through technical publications, informational pamphlets, the web site, or personal contact.
- Advocate responsible oil and gas development throughout the state.
- Adjudicate exploration and development permits effectively and maintain a proactive inspection program.
- Ensure that the state's resource ownership interests are effectively represented in the AGIA process.
- Evaluate the geological, geophysical, and engineering aspects of unit and participating area applications and calculate tract factors to determine the state's royalty share.
- Collect and account for royalty and NPSL revenues in accordance with statute and regulations
- Ensure the state's interests are represented in the gasline projects and related work through technical and commercial support.

### Results at a Glance

(Additional performance information is available on the web at <http://omb.alaska.gov/results>.)

#### **END RESULT A: Advocate responsible exploration of oil, gas, and geothermal resources in Alaska.**

- In FY10, 100 percent of required best interest finding related issuances occurred, same as FY09.
- In FY10, 100 percent of leases were awarded within nine months of sale. Average award time was six months, one month earlier than FY09.
- In FY10, 90 percent of exploration permits were issued within the ACMP timeline, down five percent from FY09.

#### **Status of Strategies to Achieve End Result**

- In FY10, the State of Alaska Five-Year Program of Proposed Oil and Gas Lease Sales was published and distributed to the legislature in January 2010, same as FY09. The program is also published on the division website.
- In FY10, four lease sales were held according to schedule, with the exception of the Beaufort Sea sale which was delayed due to administrative error. This is down one from five lease sales held on schedule in FY09.

#### **END RESULT B: Promote accountable development of oil, gas, and geothermal resources for maximum benefit to the state.**

- In FY10, an average of 96 percent of applications received were issued a determination within the established timelines, consistent with FY09.
- In FY10, 90 percent of active production operations were inspected and 100 percent of seismic and exploratory operations were inspected, same as FY09.

**Status of Strategies to Achieve End Result**

- In FY10, Resource Evaluation evaluated 100 percent of complete plans of exploration received and Units issued determinations within 30 days, same as FY09.
- In FY10, Resource Evaluation evaluated 100 percent of complete plans of development received and Units issued determinations within 60 days, same as FY09.
- In FY10, Permitting evaluated and issued determinations on 90 percent of complete applications received within ACMP guidelines, down five percent from FY09.

**END RESULT C: Maximize revenues from oil and gas production.**

- In FY10, Royalty Accounting monthly verified and reconciled oil and gas revenue, totaling \$2,328,799,161, consistent with FY09, which totaled \$2,518,783,114.
- In FY10, Royalty Audit completed four audits and collected a total of \$4,100,000 in royalty revenue. Up one from FY09.

**Status of Strategies to Achieve End Result**

- In FY10, the division's new software system is in place and functioning well. The old system has been retired. In FY09, data management software was still in developmental phase.

**END RESULT D: Ensure the state's royalty interest position is protected and maximize value of royalty gas to Alaskans.**

- In FY10, Commercial and Units worked to create a royalty valuation methodology for North Slope natural gas consistent with requirements of AS43.90.
- In FY10, collaborative efforts drafted a request for waiver of capacity transfer and capacity release rules on pipelines under FERC jurisdiction, the waiver request was granted.

**Status of Strategies to Achieve End Result**

- In FY10, division staff has developed strategies to create urgency and incentive to North Slope lessees so that they may commit their gas to a North Slope gas commercialization effort.

**Major Activities to Advance Strategies**

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Local Government outreach - Mat-Su, North Slope, Alaska Peninsula, and Healy.</li> <li>• Evaluate frontier and producing basins; pursue gas hydrates, shallow biogenic gas, and tight gas sands.</li> <li>• Evaluate requests for royalty in-kind sales.</li> <li>• Provide publicly available oil and gas related information to technical users, the general public, and the press.</li> <li>• Provide technical and policy support for the Alaska congressional delegation, the Governor's Office, the legislature, and DNR's Commissioner.</li> </ul> | <ul style="list-style-type: none"> <li>• Encourage leasing of federal onshore and offshore lands in manner most beneficial to the state.</li> <li>• Process royalty relief applications in a manner that maximizes value to the state.</li> <li>• Negotiate settlements in the state's best interest.</li> <li>• Evaluate geological, geophysical, and engineering aspects to determine royalty share.</li> </ul> |
|--|---|

**Key Component Challenges**

The Division of Oil and Gas manages the state's oil, gas and geothermal resources with a staff of approximately 100 highly specialized technical experts educated as geologists, geophysicists, engineers, attorneys, economists, accountants, commercial analysts, natural resource specialists, and IT and administrative professionals who work in asset teams, administratively assigned to seven sections: Commercial, Accounting, Audit, Resource Evaluation, Units, Leasing & Permitting, and Administration.

As a division, we face challenges in the coming year with:

- Recruiting, hiring, training, and retaining technical staff.
- Integrating core business systems across division sections
- Implementation of the division's newly written strategic plan
- Implementation of division document management system for division information
- Continuing outreach efforts in order to attract new companies to Alaska and facilitate resource development in the state.

Specific challenges some sections will face in the coming year include:

- Audit
  - Ability to complete complicated audits and negotiations with limited staffing
- Lease administration
  - Meeting the need, with limited resources, to develop draft regulation and statute changes related to lease ownership, CO<sub>2</sub> storage, exploration license applications, lease and license qualifications, and oil and gas lease language
- Permitting
  - Inadequate staffing for Cook Inlet Permitting results in supplemental support from other staff, which is rarely available, resulting in rare site inspections.
  - Issues regarding bonding and other forms of financial assurance requirements which are currently administered by at least six state agencies/divisions, for different permits or approvals, and does not comprehensively address the state's assumption of risk, does not specifically consider the impacts to encouraging investment in oil, gas and geothermal projects, and is vulnerable to a lack of consistency in our collective, State bonding/financial assurance requirements and decisions.
- Resource Evaluation
  - Continuing to provide limited section resources for ongoing work with the carbon capture and sequestration project for the Governor's sub-cabinet on climate change.
  - Addressing coming issues relating to confidential data storage and release according to schedules.
  - Addressing coming issues relating to the maintenance of geoscience computing systems

- Accounting
  - Continued refinement of the Division's Data Management System for royalty reporting and reconciliation tools
  - Production of meaningful and timely information for the division website, annual report and management.
- Commercial
  - Securing timely legal assistance and advice on a number of royalty valuation issues
  - Continuing to provide limited section resources to ongoing gasoline related projects
- Units
  - Meeting the need, with limited resources available, to update the division's 25-year-old regulations related to unitization in order to bring them up to current practice

### **Significant Changes in Results to be Delivered in FY2012**

- In light of recent events, the Division of Oil and Gas has realized the need to visit issues surrounding current bonding requirements and practices and platform abandonment impacts, specifically in Cook Inlet. Before bonding requirements can be fully addressed, the division must understand dismantlement, removal, and rehabilitation necessary for an abandoned platform to ensure environmental impacts are minimized and safety concerns are addressed. The Division will access contractors, operators, and industry experts with the expertise required to provide advice on individual platforms and proper assessment of the financial capacity of the lessees, operators, and other interested parties. This will result in better bonding requirements and preparations of leases to minimize the state's assumption of risk, and a good perspective that considers the impacts to encouraging investment, and promotes consistency in state requirements and decisions.
- The Division of Oil and Gas is tasked with promoting the exploration and development of Alaska's oil and gas resources. We must take a proactive approach when it comes to exploration. If we do not know what resources are available, we cannot provide opportunities for future investment and development of those resources. The Foothills Oil and Gas Development Infrastructure Investigation project will provide critical data for judging the feasibility of state and federal infrastructure investment to access both undeveloped and undiscovered oil and gas in the central North Slope Foothills. Funding of this project will provide the state with necessary information to help predict resource potential of sparsely explored areas, make informed decisions on infrastructure investments, and the ability to identify potential hazards and construction material sites along the proposed routes. Completion of this project could result in state resource development opportunity that may generate large revenues over the next 30 years.
- The Division of Oil and Gas will support all of the state's gasoline efforts by contracting expert advice from parties familiar with the commercial requirements associated with launching gas pipeline projects. Funding for this project will provide the state with commercial and financial expertise and assistance needed to develop, support, and maintain the state's position.

### **Major Component Accomplishments in 2010**

- Five areawide lease sales and one geothermal lease sale were held, resulting in approximately 355,000 acres of new ground being leased and \$12.8 million collected in bonus bids (112 tracts sold; 135 total bids; and 18 different bidders). The Division administers approximately 1,591 leases covering 4.9 million acres and generates more than \$7.5 million in annual rent.
- The Resource Evaluation section completed a major engineering and geoscience-based re-evaluation of gas reserves and resources in the Cook Inlet basin. Resource Evaluation staff are currently engaged with

Commercial staff and contract experts in a follow-up analysis to determine the investment costs and consumer gas prices that would be necessary to develop enough Cook Inlet gas to meet existing south-central Alaska utility demand through 2025.

- Approved two new participating areas in the Nicolai Creek Unit to bring on new gas production in Cook Inlet and working on Nikiatchuq Unit Initial Participating Area formation with expected oil production in January 2011
- Issued seven royalty audits and collected \$17.5 million dollars
- Issued conditional approval of Susitna No. 2 Exploration License extension
- Fully participated and remain on schedule for issuance of the Kenai gas storage lease
- Successfully transitioned geothermal project permitting from the Division of Oil and Gas to the Alaska Oil and Gas Conservation Commission
- Issued Liberty Project's 38.05.850 easement and Land Use Permit for wellbores and four other associated project actions
- Geothermal project approval: Issued approval for Mt. Spurr geothermal exploration plan, conducted pre-application meeting, and coordinated the permitting process, thereby facilitating accomplishment of activities tentatively planned for CY-11 into late summer of CY10.
- Issued approval for the second Alaska Peninsula geothermal well supporting possible rural electricity generation.
- Successful launch of the new royalty reporting filing system using the Division of Oil and Gas Management Application
- Verification and receipt of \$2.2 billion in royalty and net profit share lease revenues

## Statutory and Regulatory Authority

AS 31.05.035  
AS 38.05.020  
AS 38.05.035  
AS 38.05.130  
AS 38.05.131-134  
AS 38.05.135  
AS 38.05.137  
AS 38.05.145  
AS 38.05.177  
AS 38.05.180  
AS 38.05.181  
AS 38.05.182  
AS 38.05.183  
AS 38.06  
AS 41.06  
AS 41.09  
AS 46.40  
11 AAC 02  
11 AAC 03  
11 AAC 04  
11 AAC 05  
11 AAC 82  
11 AAC 83

11 AAC 89  
11 AAC 96.210 - 96.240  
11 AAC 110  
11 AAC 112

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**Oil & Gas Development  
Component Financial Summary**

*All dollars shown in thousands*

	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	10,786.7	11,809.7	12,207.9
72000 Travel	170.2	243.1	243.1
73000 Services	6,099.4	1,721.8	2,689.2
74000 Commodities	256.8	339.0	339.0
75000 Capital Outlay	9.5	46.9	46.9
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>17,322.6</b>	<b>14,160.5</b>	<b>15,526.1</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	88.3	234.1	234.8
1004 General Fund Receipts	8,512.9	8,669.3	10,031.1
1005 General Fund/Program Receipts	63.5	68.6	70.5
1007 Inter-Agency Receipts	3,946.2	0.0	0.0
1061 Capital Improvement Project Receipts	112.4	17.2	17.2
1105 Alaska Permanent Fund Corporation Receipts	3,491.2	3,594.7	3,709.9
1108 Statutory Designated Program Receipts	380.7	450.0	450.0
1153 State Land Disposal Income Fund	727.4	744.0	762.6
1217 NGF earn	0.0	382.6	250.0
<b>Funding Totals</b>	<b>17,322.6</b>	<b>14,160.5</b>	<b>15,526.1</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>Unrestricted Revenues</b>				
General Fund Program Receipts	51060	21.7	0.0	21.7
Unrestricted Fund	68515	2,214,869.9	2,241,898.7	2,444,351.7
<b>Unrestricted Total</b>		<b>2,214,891.6</b>	<b>2,241,898.7</b>	<b>2,444,373.4</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	88.3	234.1	234.8
Interagency Receipts	51015	3,946.2	0.0	0.0
General Fund Program Receipts	51060	63.5	68.6	70.5
Statutory Designated Program Receipts	51063	380.7	818.2	450.0
Capital Improvement Project Receipts	51200	112.4	17.2	17.2

<b>Estimated Revenue Collections</b>				
<b>Description</b>	<b>Master Revenue Account</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
Permanent Fund Earnings Reserve Account	51373	3,491.2	3,594.7	3,709.9
State Land Disposal Income Fund	51434	727.4	744.0	762.6
Misc Earnings	51475	0.0	382.6	0.0
<b>Restricted Total</b>		<b>8,809.7</b>	<b>5,859.4</b>	<b>5,245.0</b>
<b>Total Estimated Revenues</b>		<b>2,223,701.3</b>	<b>2,247,758.1</b>	<b>2,449,618.4</b>

**Summary of Component Budget Changes  
From FY2011 Management Plan to FY2012 Governor**

*All dollars shown in thousands*

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
<b>FY2011 Management Plan</b>	<b>8,669.3</b>	<b>812.6</b>	<b>4,444.5</b>	<b>234.1</b>	<b>14,160.5</b>
<b>Adjustments which will continue current level of service:</b>					
-FY11 interest Earnings on a \$6.6 million bond for the Redoubt Unit in Cook Inlet: for purposes of the bond (FY11-14)	0.0	0.0	-250.0	0.0	-250.0
-Arbitration of Oil and Gas Royalty Issues	-200.0	0.0	0.0	0.0	-200.0
-CH 13 SLA 10 Sec 9(b) HB 326 Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)	0.0	0.0	-132.6	0.0	-132.6
-FY 2011 Over/Understated GGU/SU salary adjustments	8.6	-0.1	1.7	0.7	10.9
-FY 2012 Personal Services increases	245.7	20.6	113.5	7.5	387.3
-Correct Unrealizable Fund Sources for Personal Services Increases	7.5	0.0	0.0	-7.5	0.0
<b>Proposed budget increases:</b>					
-Arbitration of Oil and Gas Royalty Issues	200.0	0.0	0.0	0.0	200.0
-Increase Funding for Arbitration of Oil and Gas Royalty Issues	300.0	0.0	0.0	0.0	300.0
-AGIA Commercial Monitor and Advisor	800.0	0.0	0.0	0.0	800.0
-FY12 interest Earnings on a \$6.6 million bond for the Redoubt Unit in Cook Inlet: for purposes of the bond (FY12-14)	0.0	0.0	250.0	0.0	250.0
<b>FY2012 Governor</b>	<b>10,031.1</b>	<b>833.1</b>	<b>4,427.1</b>	<b>234.8</b>	<b>15,526.1</b>

**Oil & Gas Development  
Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2011 Management Plan	FY2012 Governor		
Full-time	93	93	Annual Salaries	8,616,130
Part-time	0	0	COLA	120,318
Nonpermanent	4	4	Premium Pay	0
			Annual Benefits	4,347,283
			<i>Less 6.69% Vacancy Factor</i>	(875,831)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>97</b>	<b>97</b>	<b>Total Personal Services</b>	<b>12,207,900</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant III	1	0	0	0	1
Accountant IV	2	0	0	0	2
Accounting Tech I	1	0	0	0	1
Accounting Tech II	2	0	0	0	2
Accounting Tech III	1	0	0	0	1
Administrative Assistant II	2	0	0	0	2
Administrative Officer I	1	0	0	0	1
Analyst/Programmer II	1	0	0	0	1
Analyst/Programmer IV	3	0	0	0	3
Analyst/Programmer V	1	0	0	0	1
Cartographer II	2	0	0	0	2
Cartographer IV	2	0	0	0	2
Commercial Analyst	8	0	0	0	8
Data Processing Mgr I	1	0	0	0	1
Deputy Director	1	0	0	0	1
Division Director	1	0	0	0	1
Division Operations Manager	1	0	0	0	1
Geologist III	1	0	0	0	1
Information Officer III	1	0	0	0	1
Micro/Network Spec I	1	0	0	0	1
Natural Resource Mgr I	2	0	0	0	2
Natural Resource Mgr II	1	0	0	0	1
Natural Resource Spec I	2	0	0	0	2
Natural Resource Spec II	2	0	0	0	2
Natural Resource Spec III	6	0	0	0	6
Natural Resource Spec IV	3	0	0	0	3
Natural Resource Spec V	3	0	0	0	3
Natural Resource Tech II	3	0	0	0	3
Natural Resource Tech III	4	0	0	0	4
Office Assistant II	3	0	0	0	3
Oil & Gas Revenue Audit Master	2	0	0	0	2
Oil & Gas Revenue Auditor II	1	0	0	0	1
Oil & Gas Revenue Auditor III	3	0	0	0	3
Oil & Gas Revenue Auditor IV	4	0	0	0	4
Oil & Gas Revenue Specialist	1	0	0	0	1
Petroleum Economist II	1	0	0	0	1

**Position Classification Summary**

<b>Job Class Title</b>	<b>Anchorage</b>	<b>Fairbanks</b>	<b>Juneau</b>	<b>Others</b>	<b>Total</b>
Petroleum Geologist I	6	1	0	0	7
Petroleum Geologist II	2	0	0	0	2
Petroleum Geophysicist I	1	0	0	0	1
Petroleum Investments Manager	1	0	0	0	1
Petroleum Land Manager	4	0	0	0	4
Petroleum Manager	1	0	0	0	1
Petroleum Market Analyst	1	0	0	0	1
Petroleum Reservoir Engineer	4	0	0	0	4
Student Intern I	1	0	0	0	1
<b>Totals</b>	<b>96</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>97</b>

**Component Detail All Funds**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

	FY2010 Actuals	FY2011 Conference Committee (Final)	FY2011 Authorized	FY2011 Management Plan	FY2012 Governor	FY2011 Management Plan vs FY2012 Governor	
71000 Personal Services	10,786.7	11,692.6	11,809.7	11,809.7	12,207.9	398.2	3.4%
72000 Travel	170.2	243.1	243.1	243.1	243.1	0.0	0.0%
73000 Services	6,099.4	1,589.2	1,721.8	1,721.8	2,689.2	967.4	56.2%
74000 Commodities	256.8	339.0	339.0	339.0	339.0	0.0	0.0%
75000 Capital Outlay	9.5	46.9	46.9	46.9	46.9	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
<b>Totals</b>	<b>17,322.6</b>	<b>13,910.8</b>	<b>14,160.5</b>	<b>14,160.5</b>	<b>15,526.1</b>	<b>1,365.6</b>	<b>9.6%</b>
<b>Fund Sources:</b>							
1002 Fed Rcpts	88.3	234.1	234.1	234.1	234.8	0.7	0.3%
1004 Gen Fund	8,512.9	8,595.4	8,669.3	8,669.3	10,031.1	1,361.8	15.7%
1005 GF/Prgm	63.5	67.5	68.6	68.6	70.5	1.9	2.8%
1007 I/A Rcpts	3,946.2	0.0	0.0	0.0	0.0	0.0	0.0%
1061 CIP Rcpts	112.4	17.2	17.2	17.2	17.2	0.0	0.0%
1105 PFund Rcpt	3,491.2	3,563.1	3,594.7	3,594.7	3,709.9	115.2	3.2%
1108 Stat Desig	380.7	450.0	450.0	450.0	450.0	0.0	0.0%
1153 State Land	727.4	733.5	744.0	744.0	762.6	18.6	2.5%
1217 NGF Earn	0.0	250.0	382.6	382.6	250.0	-132.6	-34.7%
<b>Unrestricted General (UGF)</b>	<b>8,512.9</b>	<b>8,595.4</b>	<b>8,669.3</b>	<b>8,669.3</b>	<b>10,031.1</b>	<b>1,361.8</b>	<b>15.7%</b>
<b>Designated General (DGF)</b>	<b>790.9</b>	<b>801.0</b>	<b>812.6</b>	<b>812.6</b>	<b>833.1</b>	<b>20.5</b>	<b>2.5%</b>
<b>Other Funds</b>	<b>7,930.5</b>	<b>4,280.3</b>	<b>4,444.5</b>	<b>4,444.5</b>	<b>4,427.1</b>	<b>-17.4</b>	<b>-0.4%</b>
<b>Federal Funds</b>	<b>88.3</b>	<b>234.1</b>	<b>234.1</b>	<b>234.1</b>	<b>234.8</b>	<b>0.7</b>	<b>0.3%</b>
<b>Positions:</b>							
Permanent Full Time	95	93	93	93	93	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	1	1	1	4	4	0	0.0%

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2011 Conference Committee (Final) To FY2011 Authorized *****												
<b>FY2011 Conference Committee - CH41 SLA2010 Sec19(d)</b>												
	ConfCom	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		250.0										
<b>FY2011 Conference Committee</b>												
	ConfCom	13,660.8	11,692.6	243.1	1,339.2	339.0	46.9	0.0	0.0	93	0	1
1002 Fed Rcpts		234.1										
1004 Gen Fund		8,595.4										
1005 GF/Prgm		67.5										
1061 CIP Rcpts		17.2										
1105 PFund Rcpt		3,563.1										
1108 Stat Desig		450.0										
1153 State Land		733.5										
<b>ADN 10-1-5007 FY 2011 Non-covered Salary Increase Year 1 SLA 10 Chapter 56 (HB 421)</b>												
	FisNot	117.1	117.1	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		73.9										
1005 GF/Prgm		1.1										
1105 PFund Rcpt		31.6										
1153 State Land		10.5										
: \$117.1												
<b>ADN 10-1-5010 CH 13 SLA 10 Sec 9(b) HB 326 Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)</b>												
	CarryFwd	132.6	0.0	0.0	132.6	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		132.6										

In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.

DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Interest earned is expected to be \$175,000 in fiscal year 2010. CIE will pay an estimated additional \$175,000 into the bond account.												
Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.												
<b>Subtotal</b>		<b>14,160.5</b>	<b>11,809.7</b>	<b>243.1</b>	<b>1,721.8</b>	<b>339.0</b>	<b>46.9</b>	<b>0.0</b>	<b>0.0</b>	<b>93</b>	<b>0</b>	<b>1</b>
***** <b>Changes From FY2011 Authorized To FY2011 Management Plan</b> *****												
<b>ADN 10-0-5095 Cartographer IV LTNP Extension Approved 3/3/2010 PCN 10N09010</b>												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1
Cartographer IV PCN 10N09010 Extension approved by OMB 3/3/2010												
<b>ADN 10-0-5093 Oil &amp; Gas Revenue Auditor IV LTNP Extension Approved 4/21/2010 PCN 10N09108</b>												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1
PCN 10N09108 Oil and Gas Revenue Auditor IV LTNP Extension approved by OMB 4/21/2010												
<b>ADN 10-0-5125 Reclass Secretary to Admin Asst. II PCN 10-4229 Approved 5/18/2010</b>												
PosRecl		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
PCN 10-4229 Reclassed from Secretary to Administrative Assistant II Approved by OMB 5/18/2010												
<b>ADN 10-0-5121 Reclass Acct Tech II to Oil &amp; Gas Revenue Auditor I PCN 10-4232 Approved 5/11/10</b>												
PosRecl		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Reclass Accounting Tech II to Oil and Gas Revenue Auditor I PCN 10-4232 Approved by OMB 5/11/10												
<b>ADN 10-0-5092 Reclass Carto II to Analyst Programmer I/II/III PCN 10-4236 Approved 3/3/2010</b>												
PosRecl		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
Reclass Cartographer II to Analyst Programmer I/II/III PCN 10-4236. This position is currently staffed as a III. Approved by OMB 3/3/2010.												
<b>ADN 10-1-5038 Natural Resource Specialist III LTNP New Position New70733</b>												
PosAdj		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	1

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	

Over the next six years the Bureau of Ocean Energy Management, Regulation & Enforcement (BOEMRE), formerly the US Mineral Management Service (MMS), needs to complete eight environmental impact statements (EIS's) that will address the impacts of proposed outer continental shelf (OCS) oil and gas leasing and exploration activities in Alaska's offshore waters. DNR has an opportunity to partner with BOEMRE to develop the EIS's thereby ensuring that concerns of Alaskan's are addressed.

RSA funding was made available to the division in October 2010.

<b>Subtotal</b>		<b>14,160.5</b>	<b>11,809.7</b>	<b>243.1</b>	<b>1,721.8</b>	<b>339.0</b>	<b>46.9</b>	<b>0.0</b>	<b>0.0</b>	<b>93</b>	<b>0</b>	<b>4</b>
***** <b>Changes From FY2011 Management Plan To FY2012 Governor</b> *****												
<b>FY11 interest Earnings on a \$6.6 million bond for the Redoubt Unit in Cook Inlet: for purposes of the bond (FY11-14)</b>												
1217 NGF Earn	OTI	-250.0	0.0	0.0	-250.0	0.0	0.0	0.0	0.0	0	0	0
Reverse FY11 interest Earnings on a \$6.6 million bond for the Redoubt Unit in Cook Inlet: for purposes of the bond (FY11-14)												
<b>Arbitration of Oil and Gas Royalty Issues</b>												
1004 Gen Fund	OTI	-200.0	0.0	0.0	-200.0	0.0	0.0	0.0	0.0	0	0	0
Reverse on-time item Arbitration of Oil and Gas Royalty Issues												
<b>CH 13 SLA 10 Sec 9(b) HB 326 Cook Inlet Energy Reclamation Bond Interest (lapse 6/30/2014)</b>												
1217 NGF Earn	OTI	-132.6	0.0	0.0	-132.6	0.0	0.0	0.0	0.0	0	0	0

In 2009, Pacific Energy Resources Ltd. (PERL) abandoned Redoubt Unit as a result of bankruptcy. The bond, in the amount of \$6,600,000 along with interest earned, for abandonment liabilities for the Redoubt Unit between PERL and DNR, Division of Oil and Gas was transferred to DNR in October 2009.

The assets were purchased in December 2009 by Cook Inlet Energy (CIE). The remaining funds from the original bond will be used as a part of the new bond posted by CIE. This bond will be used toward abandonment and reclamation if CIE abandons the facilities or begins reclamation.

The original bond was held in an escrow account at First National Bank, where interest was earned on the principle. However, it cost over \$1,800/mo in bank fees to hold the money in escrow. The department would prefer to hold the bond in Treasury. Interest earnings on the bond would then require an annual appropriation to the bond.

DNR requests that the interest earned be applied to the bond. The earned interest would maximize the value of the bond funds available for abandonment and reclamation costs.

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
Interest earned is expected to be \$175,000 in fiscal year 2010. CIE will pay an estimated additional \$175,000 into the bond account.												
Unless abandonment or reclamation occurs, all earned interest and bond funds will remain in the bond account.												
<b>FY 2011 Over/Understated GGU/SU salary adjustments</b>												
	SalAdj	10.9	10.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		0.7										
1004 Gen Fund		8.6										
1105 PFund Rcpt		1.7										
1153 State Land		-0.1										
When the SU and GGU salary adjustments were calculated, errors were made that understated some GGU amounts and overstated some SU amounts. This change record identifies the over and under stated amounts associated with these calculations.: \$10.9												
<b>FY 2012 Personal Services increases</b>												
	SalAdj	387.3	387.3	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1002 Fed Rcpts		7.5										
1004 Gen Fund		245.7										
1005 GF/Prgm		1.9										
1105 PFund Rcpt		113.5										
1153 State Land		18.7										
This change record includes the following personal services increases: : \$387.3												
Alaska State Employees Assn (GGU) FY2012 Health Insurance Increased Costs : \$93.8												
Alaska Public Employees Assn (SU) FY2012 Health Insurance Increased Costs : \$20.3												
Non-Covered Employees FY2012 Health Insurance Increased Costs : \$61.0												
Alaska State Employees Association (GGU) FY 12 COLA increases : \$77.5												
Alaska Public Employees Association (SU) FY 12 COLA increases : \$20.5												
Non-Covered Employees FY 12 COLA increases : \$114.2												
<b>Correct Unrealizable Fund Sources for Personal Services Increases</b>												
	FndChg	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)

**RDU:** Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	

1002 Fed Rcpts -7.5  
 1004 Gen Fund 7.5

The Bureau of Ocean Energy Management, Regulation & Enforcement (BOEMRE), formerly the US Mineral Management Service (MMS) contracts with the Division of Oil & Gas to perform audits on their behalf. There are no more personal service funds available in this already negotiated contract.

**Arbitration of Oil and Gas Royalty Issues**

1004 Gen Fund	IncM	200.0	0.0	0.0	200.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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This request funds a maintenance level for the ongoing need and cost of outside legal counsel and experts for reopener arbitrations as the state proceeds with renegotiation and arbitration of royalty issues, as well as other activities to optimize state royalty value. These "reopeners" offer the state and its lessees the opportunity to resolve disputes over royalty value, keep royalty settlement agreements up-to-date, and avoid costly and time-consuming litigation. Contractors are hired directly by DNR or through the Department of Law to represent the state's interests in the arbitrations.

**Increase Funding for Arbitration of Oil and Gas Royalty Issues**

1004 Gen Fund	IncOTI	300.0	0.0	0.0	300.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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This request funds the ongoing need and cost of outside legal counsel and experts for reopener arbitrations as the state proceeds with renegotiation and arbitration of royalty issues, as well as other activities to optimize state royalty value. These "reopeners" offer the state and its lessees the opportunity to resolve disputes over royalty value, keep royalty settlement agreements up-to-date, and avoid costly and time-consuming litigation. Contractors are hired directly by DNR or through the Department of Law to represent the state's interests in the arbitrations.

The Division of Oil and Gas anticipates several royalty disputes in FY12 that may require arbitration or litigation. In one particular case now underway involving the Federal government, there is over \$100 million dollars in potential royalty dollars for the State of Alaska. The division needs expert witnesses and outside counsel in order to be able to effectively support the State's position and fund litigation.

This budget item has been previously funded as a one-time item (OTI). In the FY11 budget, it was reduced from \$500,000 to \$200,000. This OTI is being requested in conjunction with an increment to maintain services for the \$200,000 that was in previously in the budget. Together, these increases will restore the arbitration funds to the original \$500,000 for FY 2012.

**AGIA Commercial Monitor and Advisor**

1004 Gen Fund	Inc	800.0	0.0	0.0	800.0	0.0	0.0	0.0	0.0	0.0	0	0	0
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This request will enable the state to secure expert advice from parties familiar with the commercial requirements associated with launching major new gas pipeline projects. This expertise is needed on two fronts. First, as the project and commercial arrangements with shippers mature, the state will need to ensure that any changes to the commercial terms initially proposed in the licensee's AGIA application comply with the license terms. Second, the state will need assistance from those with midstream commercial and financial expertise to develop, support, and maintain the state's position – especially in the context of future possible negotiations with the North Slope producers.

**Change Record Detail - Multiple Scenarios With Descriptions**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
<b>FY12 interest Earnings on a \$6.6 million bond for the Redoubt Unit in Cook Inlet: for purposes of the bond (FY12-14)</b>												
	IncM	250.0	0.0	0.0	250.0	0.0	0.0	0.0	0.0	0	0	0
1217 NGF Earn		250.0										
Reverse FY11 interest Earnings on a \$6.6 million bond for the Redoubt Unit in Cook Inlet: for purposes of the bond (FY11-14)												
	<b>Totals</b>	<b>15,526.1</b>	<b>12,207.9</b>	<b>243.1</b>	<b>2,689.2</b>	<b>339.0</b>	<b>46.9</b>	<b>0.0</b>	<b>0.0</b>	<b>93</b>	<b>0</b>	<b>4</b>

**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2012 Governor (8665)  
**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
10-?251	Natural Resource Spec III	NP	A	GG	Anchorage	200	18A	12.0		53,748	0	0	6,154	59,902	59,902
10-0141	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		135,912	3,509	0	61,070	200,491	71,295
10-0142	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		108,960	2,813	0	53,232	165,005	825
10-0143	Petroleum Land Manager	FT	A	XE	Anchorage	AA	26F	12.0		126,264	3,260	0	58,264	187,788	376
10-0144	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		120,000	3,098	0	56,443	179,541	0
10-0145	Analyst/Programmer IV	FT	A	GP	Anchorage	200	20K	12.0		81,264	0	0	44,233	125,497	12,550
10-4100	Division Director	FT	A	XE	Anchorage	AA	27F	12.0		159,996	4,130	0	68,074	232,200	0
10-4101	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	2,909
10-4104	Petroleum Geologist II	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	229,056
10-4105	Petroleum Manager	FT	A	XE	Anchorage	AA	26F	12.0		147,096	3,797	0	64,322	215,215	10,761
10-4109	Oil & Gas Revenue Specialist	FT	A	GP	Anchorage	200	25N / O	12.0		133,500	0	0	60,989	194,489	155,241
10-4110	Natural Resource Mgr II	FT	A	SS	Anchorage	200	20K / L	12.0		83,402	0	0	44,510	127,912	67,793
10-4114	Natural Resource Spec III	FT	A	GP	Anchorage	200	18B / C	12.0		56,788	0	0	35,615	92,403	48,974
10-4115	Oil & Gas Revenue Auditor IV	FT	A	GP	Anchorage	200	24C / D	12.0		87,054	0	0	46,272	133,326	40,438
10-4118	Administrative Officer I	FT	A	SS	Anchorage	200	17E / F	12.0		60,923	0	0	36,595	97,518	51,685
10-4119	Natural Resource Tech II	FT	A	GP	Anchorage	200	12F / G	12.0		43,440	0	0	30,915	74,355	32,716
10-4121	Natural Resource Spec V	FT	A	SS	Anchorage	200	23E / F	12.0		90,887	0	0	47,145	138,032	73,157
10-4122	Office Assistant II	FT	A	GP	Anchorage	200	10B / C	12.0		32,894	0	0	27,202	60,096	6,010
10-4125	Analyst/Programmer V	FT	A	GP	Anchorage	200	22B / C	12.0		73,366	0	0	41,452	114,818	60,854
10-4128	Accounting Tech I	FT	A	GP	Anchorage	200	12B / C	12.0		37,149	0	0	28,700	65,849	34,900
10-4133	Data Processing Mgr I	FT	A	SS	Anchorage	200	22D / E	12.0		87,479	0	0	45,945	133,424	70,715
10-4135	Natural Resource Spec IV	FT	A	GP	Anchorage	200	21B / C	12.0		68,745	0	0	39,825	108,570	57,542
10-4136	Natural Resource Tech III	FT	A	GP	Anchorage	200	14D / E	12.0		46,331	0	0	31,933	78,264	41,480
10-4144	Natural Resource Spec I	FT	A	GP	Anchorage	200	14C / D	12.0		43,574	0	0	30,962	74,536	373
10-4145	Natural Resource Spec IV	FT	A	SS	Anchorage	200	21C / D	12.0		73,792	0	0	41,126	114,918	60,907
10-4146	Accountant IV	FT	A	GP	Anchorage	200	20D / E	12.0		69,533	0	0	40,103	109,636	58,107
10-4147	Division Operations Manager	FT	A	SS	Anchorage	200	24D / E	12.0		94,914	0	0	48,563	143,477	0
10-4148	Accounting Tech III	FT	A	GG	Anchorage	200	16G	12.0		57,588	0	0	35,897	93,485	49,547
10-4149	Accounting Tech II	FT	A	GG	Anchorage	200	14L	12.0		56,040	0	0	35,352	91,392	48,438
10-4158	Accountant III	FT	A	GP	Anchorage	200	18B / C	12.0		57,108	0	0	35,728	92,836	49,203
10-4163	Geologist III	FT	A	GP	Anchorage	200	19F	12.0		68,220	0	0	39,640	107,860	57,166
10-4165	Natural Resource Spec III	FT	A	GP	Anchorage	200	18B / C	12.0		57,348	0	0	35,812	93,160	93,160
10-4167	Natural Resource Mgr I	FT	A	SS	Anchorage	200	18C / D	12.0		60,836	0	0	36,564	97,400	41,755
10-4168	Cartographer II	FT	A	GG	Anchorage	200	15C / D	12.0		47,973	0	0	32,511	80,484	42,657
10-4169	Natural Resource Spec V	FT	A	GP	Anchorage	200	23C / D	12.0		81,996	0	0	44,491	126,487	67,038

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2012 Governor (8665)  
**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
10-4171	Natural Resource Spec II	FT	A	GP	Anchorage	200	16A / B	12.0		48,118	0	0	32,562	80,680	42,760
10-4181	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	AA	26F	12.0		91,608	2,477	0	47,255	141,340	74,910
10-4182	Petroleum Geologist II	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	121,400
10-4183	Petroleum Geologist I	FT	A	XE	Anchorage	AA	26F	12.0		147,096	3,797	0	64,322	215,215	114,064
10-4184	Petroleum Geologist I	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	121,400
10-4185	Petroleum Geologist I	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	121,400
10-4193	Petroleum Geologist I	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	229,056
10-4194	Oil & Gas Revenue Auditor IV	FT	A	GP	Anchorage	200	24B / C	12.0		84,756	0	0	45,463	130,219	68,912
10-4196	Cartographer IV	FT	A	SS	Anchorage	600	17C / D	12.0		56,298	0	0	34,967	91,265	47,458
10-4197	Natural Resource Spec III	FT	A	GP	Anchorage	200	18A / A	12.0		53,748	0	0	34,545	88,293	46,795
10-4198	Natural Resource Tech III	FT	A	GP	Anchorage	200	14F / G	12.0		49,522	0	0	33,057	82,579	43,767
10-4202	Natural Resource Spec V	FT	A	SS	Anchorage	200	23J / K	12.0		100,068	0	0	50,378	150,446	79,736
10-4203	Analyst/Programmer IV	FT	A	GP	Anchorage	200	20C / D	12.0		66,820	0	0	39,147	105,967	56,163
10-4207	Natural Resource Spec III	FT	A	GP	Anchorage	200	18K / L	12.0		72,321	0	0	41,084	113,405	70,878
10-4209	Accounting Tech II	FT	A	GP	Anchorage	200	14B / C	12.0		42,548	0	0	30,601	73,149	73,149
10-4210	Oil & Gas Revenue Auditor III	FT	A	GP	Anchorage	200	22E / F	12.0		83,371	0	0	44,975	128,346	83,425
10-4211	Accountant IV	FT	A	GP	Anchorage	200	20F / G	12.0		74,130	0	0	41,721	115,851	61,401
10-4212	Petroleum Market Analyst	FT	A	XE	Anchorage	AA	26F	12.0		163,008	4,208	0	68,950	236,166	125,168
10-4213	Natural Resource Tech III	FT	A	GP	Anchorage	200	14C / D	12.0		45,048	0	0	31,481	76,529	40,560
10-4214	Petroleum Investments Manager	FT	A	XE	Anchorage	AA	26F	12.0		152,352	3,933	0	65,851	222,136	117,732
10-4215	Oil & Gas Revenue Auditor III	FT	A	GP	Anchorage	200	22A / B	12.0		72,032	0	0	40,983	113,015	0
10-4216	Petroleum Land Manager	FT	A	XE	Anchorage	AA	26F	12.0		147,096	3,797	0	64,322	215,215	36,006
10-4217	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		120,840	3,120	0	56,687	180,647	95,743
10-4222	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	229,056
10-4223	Natural Resource Mgr I	FT	A	SS	Anchorage	200	18C / D	12.0		60,923	0	0	36,595	97,518	97,518
10-4224	Natural Resource Spec I	FT	A	GP	Anchorage	200	14A / B	12.0		41,838	0	0	30,351	72,189	72,189
10-4225	Natural Resource Spec II	FT	A	GP	Anchorage	200	16A / B	12.0		47,901	0	0	32,486	80,387	80,387
10-4226	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		126,696	3,271	0	58,390	188,357	188,357
10-4227	Deputy Director	FT	A	XE	Anchorage	AA	26F	12.0		147,096	3,797	0	64,322	215,215	90,369
10-4228	Petroleum Geologist I	FT	A	XE	Fairbanks	EE	26F	12.0		157,608	4,069	0	67,379	229,056	229,056
10-4229	Administrative Assistant II	FT	A	GP	Anchorage	200	14E / F	12.0		47,176	0	0	32,231	79,407	79,407
10-4230	Office Assistant II	FT	A	GP	Anchorage	200	10C / D	12.0		33,885	0	0	27,551	61,436	61,436
10-4231	Office Assistant II	FT	A	GP	Anchorage	200	10D / E	12.0		35,487	0	0	28,115	63,602	63,602

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2012 Governor (8665)  
**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
10-4232	Oil & Gas Revenue Auditor II	FT	A	GG	Anchorage	200	20A / A	12.0		61,524	0	0	37,283	98,807	49,404
10-4233	Oil & Gas Revenue Auditor IV	FT	A	GP	Anchorage	200	24G / J	12.0		103,284	0	0	51,986	155,270	0
10-4234	Natural Resource Tech III	FT	A	GP	Anchorage	200	14E / F	12.0		47,176	0	0	32,231	79,407	79,407
10-4235	Natural Resource Tech II	FT	A	GP	Anchorage	200	12C / D	12.0		38,419	0	0	29,147	67,566	67,566
10-4236	Analyst/Programmer II	FT	A	GP	Anchorage	200	16A / A	12.0		46,668	0	0	32,052	78,720	78,720
10-4237	Cartographer II	FT	A	GP	Anchorage	200	15C / D	12.0		47,393	0	0	32,307	79,700	79,700
10-4238	Petroleum Economist II	FT	A	GP	Anchorage	200	22B / C	12.0		74,225	0	0	41,755	115,980	115,980
10-4239	Administrative Assistant II	FT	A	SS	Anchorage	600	14B / C	12.0		43,857	0	0	30,586	74,443	74,443
10-4240	Natural Resource Tech II	FT	A	GP	Anchorage	200	12E / F	12.0		41,838	0	0	30,351	72,189	72,189
10-4241	Micro/Network Spec I	FT	A	GP	Anchorage	200	18D / E	12.0		60,950	0	0	37,081	98,031	98,031
10-4242	Information Officer III	FT	A	GP	Anchorage	200	20C / D	12.0		67,520	0	0	39,394	106,914	82,698
10-4244	Natural Resource Spec IV	FT	A	GP	Anchorage	200	21G / G	12.0		80,496	0	0	43,963	124,459	124,459
10-4245	Natural Resource Spec III	FT	A	GP	Anchorage	200	18C / D	12.0		58,818	0	0	36,330	95,148	95,148
10-4247	Analyst/Programmer IV	FT	A	GP	Anchorage	200	20D / D	12.0		68,220	0	0	39,640	107,860	107,860
10-4249	Oil & Gas Revenue Auditor III	FT	A	GP	Anchorage	200	22F / G	12.0		86,244	0	0	45,987	132,231	132,231
10-B009	Student Intern I	NP	N	XE	Anchorage	99	6 /	12.0		14,625	326	0	1,675	16,626	16,626
10-N09010	Cartographer IV	NP	N	GG	Anchorage	200	17A	12.0		49,980	0	0	5,723	55,703	55,703
10-N09108	Oil & Gas Revenue Auditor IV	NP	N	GG	Anchorage	200	24A	12.0		59,443	0	0	6,806	66,249	66,249
10-T002	Petroleum Geologist I	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	229,056
10-T003	Petroleum Land Manager	FT	A	XE	Anchorage	AA	26F	12.0		112,200	2,897	0	54,175	169,272	169,272
10-T006	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		147,096	3,797	0	64,322	215,215	215,215
10-T007	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		108,960	2,813	0	53,232	165,005	165,005
10-T009	Petroleum Geologist I	FT	A	XE	Anchorage	AA	26F	12.0		125,040	3,228	0	57,908	186,176	186,176
10-T010	Commercial Analyst	FT	A	XE	Anchorage	AA	26F	12.0		111,384	2,875	0	53,937	168,196	168,196
10-T011	Petroleum Geophysicist I	FT	A	XE	Anchorage	AA	26F	12.0		157,608	4,069	0	67,379	229,056	229,056
10-T019	Petroleum Land Manager	FT	A	XE	Anchorage	AA	26F	12.0		127,512	3,292	0	58,627	189,431	189,431
10-T021	Oil & Gas Revenue Audit Master	FT	A	XE	Anchorage	AA	26F	12.0		122,928	3,174	0	57,294	183,396	183,396
10-T022	Oil & Gas Revenue Audit Master	FT	A	XE	Anchorage	AA	26F	12.0		160,752	4,150	0	68,294	233,196	233,196
10-X001	Petroleum Reservoir Engineer	FT	A	XE	Anchorage	AA	26F	12.0		157,596	4,069	0	67,376	229,041	229,041

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Personal Services Expenditure Detail**  
**Department of Natural Resources**

**Scenario:** FY2012 Governor (8665)  
**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
													<b>Total Salary Costs:</b>	8,616,130	
													<b>Total COLA:</b>	120,318	
													<b>Total Premium Pay:</b>	0	
													<b>Total Benefits:</b>	4,347,283	
													<b>Total Pre-Vacancy:</b>	13,083,731	
													<b>Minus Vacancy Adjustment of 6.69%:</b>	(875,831)	
													<b>Total Post-Vacancy:</b>	12,207,900	
													<b>Plus Lump Sum Premium Pay:</b>	0	
													<b>Personal Services Line 100:</b>	12,207,900	
<b>Total Component Months:</b>		1,164.0													

<b>PCN Funding Sources:</b>	<b>Pre-Vacancy</b>	<b>Post-Vacancy</b>	<b>Percent</b>
1002 Federal Receipts	245,151	228,741	1.87%
1004 General Fund Receipts	8,280,035	7,725,766	63.28%
1005 General Fund/Program Receipts	74,204	69,237	0.57%
1105 Alaska Permanent Fund Corporation Receipts	3,778,897	3,525,936	28.88%
1153 State Land Disposal Income Fund	705,443	658,221	5.39%
<b>Total PCN Funding:</b>	<b>13,083,731</b>	<b>12,207,900</b>	<b>100.00%</b>

Note: If a position is split, an asterisk (\*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (\*\*) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

**Line Item Detail**  
**Department of Natural Resources**  
**Travel**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
72000	Travel		170.2	243.1	243.1
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>72000 Travel Detail Totals</b>			<b>170.2</b>	<b>243.1</b>	<b>243.1</b>
72100	Instate Travel	Travel within the state to coordinate and manage the department, and to participate in the Governor's priority development projects. Includes transportation, per diem and other costs associated with instate travel.	66.3	94.0	143.1
72100	Instate Travel	Pacific Energy Resources Limited bond issue instate travel.	0.2	0.0	0.0
72100	Instate Travel	Unbudgeted RSA instate travel	7.1	0.0	0.0
72400	Out Of State Travel	Out of state travel is budgeted for royalty-related audits (price, allocation, net profit share leases, etc.), coastal policy council meetings, federal OCS-related activity. Travel to conferences and professional courses to maintain proficiency, to develop new analytical techniques and to promote state oil and gas leasing.	84.2	118.1	100.0
72400	Out Of State Travel	Unbudgeted RSA-related travel	1.1	0.0	0.0
72700	Moving Costs	Moving Costs	11.3	31.0	0.0

**Line Item Detail**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
73000	Services		6,099.4	1,721.8	2,689.2
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>73000 Services Detail Totals</b>			<b>6,099.4</b>	<b>1,721.8</b>	<b>2,439.2</b>
73001	Non-Interagency Svcs	Pacific Energy Resources Limited bond expenditures	367.9	0.0	0.0
73001	Non-Interagency Svcs	Gasline contracts	213.7	0.0	0.0
73001	Non-Interagency Svcs	The instate gasline project passed through Oil & Gas until funds were transfered to Alaska Housing Corp.	3,820.2	0.0	0.0
73002	Interagency Services	Gasline contracts	57.5	0.0	0.0
73025	Education Services	Technical training, tuition and conference registration fees for the division's technical staff.	76.7	0.0	0.0
73050	Financial Services	For contract auditors to reduce backlog of royalty and net profit share lease audits.	0.2	0.0	0.0
73052	Mgmt/Consulting (Non IA Svcs Financial)	AGIA Commercial Monitor and Advisor expert commercial advice from parties familiar with the commercial requirements associated launching major new gas pipeline projects.	0.0	0.0	800.0
73075	Legal & Judicial Svc	Attorney fees.	60.0	100.0	100.0
73150	Information Technlgy	Update and upgrade our software as technological enhancements are made in the industry.	278.5	250.0	85.0
73156	Telecommunication	Telecommunications expenses for cable, cellular phones, toll costs and long distance charges.	26.8	28.0	30.0
73169	Federal Indirect Rate Allocation	NatRes The division's federal indirect rate Allocation for (BOERME) (Minerals Management Services (MMS)) funding.  The FSS = 7.30% Division=6.42%	11.0	12.0	12.0
73225	Delivery Services	The division postage costs and freight.	5.2	15.0	15.0
73450	Advertising & Promos	Legal notices in statewide newspapers.	43.0	45.0	45.0
73525	Utilities	Electricity	0.1	0.0	0.0

**Line Item Detail**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas Development (439)

**RDU:** Resource Development (136)

Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>73000 Services Detail Totals</b>			<b>6,099.4</b>	<b>1,721.8</b>	<b>2,439.2</b>
73650	Struc/Infstruct/Land	To acquire surveys and appraisal for land inspections.	25.5	30.0	0.0
73650	Struc/Infstruct/Land	Natural gas to market project passed to AHFC in FY11	27.7	0.0	0.0
73675	Equipment/Machinery	Includes repair, maintenance and support contracts for SeisVision and other software and hardware, as well as all other general repair costs for the Division's office equipment.	42.3	50.0	95.0
73750	Other Services (Non IA Svcs)	Royalty modification contracts.	89.9	200.0	500.0
73751	Conservation/Envirn (Non-IA-Other Svcs)	Other services - Conservation/Environmental	0.0	12.5	12.5
73752	Economic/Development (Non-IA Svcs)	Various contracts for technical experts.	0.0	250.0	60.0
73753	Program Mgmt/Consult	Gasline, petroleum engineering and IT consultant contracts.	0.0	248.0	202.4
73756	Print/Copy/Graphics	Printing of BIFs and reports.	0.0	15.0	15.0
73803	Conservation/Envirn (IA Svcs)	Health Impact Assessment Contract.	20.0	16.0	16.0
73804	Economic/Development (IA Svcs)	NatRes DNR Public Information Center RSA.	7.5	7.5	7.5
73805	IT-Non-Telecommnctns	Admin ETS Computer Services.	70.7	55.0	55.2
73805	IT-Non-Telecommnctns	Admin - Computer Services Symantic antivirus 0.7 and Microsoft Contract 14.8	0.0	15.5	15.5
73806	IT-Telecommunication	Admin ETS Computer Services EPR RSA (Phones and VPN).	57.5	61.1	61.1
73809	Mail	Admin Central Mail RSA.	3.6	3.9	3.9
73810	Human Resources	Admin Division of Personnel/Human Resources RSA.	10.8	15.0	15.0
73811	Building Leases	Admin Atwood Building lease space for 8th (13667 sq ft) and 11th (13978 sq ft) floors.	260.2	263.0	263.0
73811	Building Leases	Admin North Slope Building Lease shared with Division of Mining, Land & Water	0.0	8.2	8.2
73812	Legal	Law Regulations RSA	500.6	0.6	0.6
73814	Insurance	Admin Risk Management Public Official Bond RSA. Risk Management Overhead RSA. Non-Shared Facilities.	0.5	1.2	1.2

**Line Item Detail**  
**Department of Natural Resources**  
**Services**

**Component:** Oil & Gas Development (439)

**RDU:** Resource Development (136)

Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor	
<b>73000 Services Detail Totals</b>			<b>6,099.4</b>	<b>1,721.8</b>	<b>2,439.2</b>	
73815	Financial	Admin	Division of Finance AKSAS/AKPAY RSA.	6.3	6.0	6.8
73816	ADA Compliance	Labor	Americans with Disabilities Act (ADA) Compliance RSA.	1.3	1.3	1.3
73819	Commission Sales (IA Svcs)	Admin	Contract Service fees for US Travel	2.0	7.0	7.0
73848	State Equip Fleet	Trans	North Slope vehicle garage & maintenance fees.	12.2	5.0	5.0

**Line Item Detail**  
**Department of Natural Resources**  
**Commodities**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
74000	Commodities		256.8	339.0	339.0
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>74000 Commodities Detail Totals</b>			<b>256.8</b>	<b>339.0</b>	<b>339.0</b>
74200	Business	Technical materials	5.3	0.0	0.0
74222	Books And Educational	Books and materials for education.	6.4	10.0	10.0
74226	Equipment & Furniture	Office furniture, desk, computer return, bookcases and chairs. Includes increments for AGIA implementation (\$7.0) and Alaska's Clear & Equitable Share (ACES) fiscal note implementation (\$4.0).	40.4	15.0	15.0
74229	Business Supplies	The funds are used for the purchase of offices supplies for the division.	60.8	90.0	90.0
74233	Info Technology Equip	The funds are used for the purchase of computers, cartographic supplies, camera film, polyester film and technical books to assist with resource evaluation, also used for data processing supplies: paper, tapes, blank CDs, as well as other networking tools used by the division.	90.8	146.0	146.0
74236	Subscriptions	Subscriptions.	46.6	42.0	42.0
74480	Household & Instit.	Household/Institutional	3.4	3.0	3.0
74520	Scientific & Medical	Scientific Journal	0.3	0.0	0.0
74600	Safety (Commodities)	Arctic winter gear and other safety items.	0.1	5.0	5.0
74601	Firearms & Ammunition	To attend gun safety class and to purchase ammunition for bear protection.	0.0	2.0	2.0
74650	Repair/Maintenance (Commodities)	Office Equipment.	2.7	3.0	3.0
74754	Parts And Supplies	These funds are used for general office machine repair, maintenance and supplies.	0.0	15.0	15.0
74855	Unleaded	Purchase fuel for vehicle on North Slope.	0.0	8.0	8.0

**Line Item Detail**  
**Department of Natural Resources**  
**Capital Outlay**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Line Number	Line Name		FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
75000	Capital Outlay		9.5	46.9	46.9
Expenditure Account	Servicing Agency	Explanation	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
<b>75000 Capital Outlay Detail Totals</b>			<b>9.5</b>	<b>46.9</b>	<b>46.9</b>
75700	Equipment	Replacing and upgrading existing hardware such as computerized copiers, printers, plotters, servers, scanners and cisco switches.	9.5	46.9	46.9

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51060	General Fund Program Receipts	21.7	0.0	21.7

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51060	GF Program Receipts		Oil & Gas Fees Unrestricted	11100	21.7	0.0	21.7

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
60655	Oil & Gas Prod Penal		Production Penalty	11100	640.7	0.0	0.0
60655	Oil & Gas Prod Penal		Unit Commitment Penalty	34011	3.2	2,773.4	2,773.4
63040	Oil Gas Lease Royal		Royalty - Fed	11100	13,992.7	13,429.1	13,429.1
63040	Oil Gas Lease Royal		Royalty - Fed	34011	104.2	100.0	100.0
63060	Mineral Rentals		Rental - Fed	11100	122.0	120.6	120.6
63060	Mineral Rentals		Rental - Fed	34011	1.2	1.2	1.2
64040	Misc Gen Govt Charge		Misc Gen Govt Chg	11100	129.6	130.0	130.0
64050	Filing Fees		School Fund Escrow O&G filing Fe	11162	0.1	0.0	0.0
65004	Misc Fines & Forfeit		Administrative Fees	11100	156.5	0.0	0.0
65325	Right of Way Permits		Right Of Way Permits	11100	348.4	0.0	0.0

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
65330	Mineral Lease Rent		Mineral Lease Rent	11100	4,044.9	0.0	0.0
65330	Mineral Lease Rent		Mineral Lease Rent	11162	5.4	0.0	0.0
65330	Mineral Lease Rent		Mineral Lease Rent	34011	21.0	0.0	0.0
65370	Oil & Gas Bonus		Bonus & Bonus Deposit	11100	4,949.7	0.0	0.0
65370	Oil & Gas Bonus		Bonus & Bonus Deposit-School Fun	34011	50.0	0.0	0.0
65390	Gas Royalty		Gas RIV-School Fund	34011	357.7	416.5	432.0
65390	Gas Royalty		Gas Royalty	11100	50,972.6	59,350.4	61,559.1
65395	Minimum Royalty		Royalty Minimum	11100	22.3	29.8	29.8
65395	Minimum Royalty		Royalty Minimum	34011	0.1	0.2	0.2

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
65470	Oil Royalty-In Value		Oil Royalty RIV	11100	765,982.6	750,051.3	821,914.6
65470	Oil Royalty-In Value		Oil Royalty RIV	34011	5,829.2	5,698.2	6,244.1
65470	Oil Royalty-In Value		Roy NRT BP Exploration Oil CBRF	33040	501.4	0.0	0.0
65470	Oil Royalty-In Value		Roy NRT Chevron Oil CBRF	33040	-0.8	0.0	0.0
65470	Oil Royalty-In Value		Roy NRT ConocoPhillips Oil CBRF	33040	427.3	0.0	0.0
65470	Oil Royalty-In Value		Roy NRT ExxonMobil Oil CBRF	33040	379.7	0.0	0.0
65475	Oil Royalty-In Kind		Oil Royalty RIK	11100	621,329.3	651,787.4	714,235.9
65475	Oil Royalty-In Kind		Oil Royalty RIK	33040	45,438.7	0.0	0.0

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
65475	Oil Royalty-In Kind		Oil Royalty RIK School Fund	34011	4,574.7	4,471.9	4,900.4
65477	Net Profit Share Payments-NPSL LeasesDNR		Net Profit Share Pay	11100	14,871.8	46,794.0	50,104.7
65477	Net Profit Share Payments-NPSL LeasesDNR		Net Profit Share Pay	34011	153.1	472.7	506.1
65477	Net Profit Share Payments-NPSL LeasesDNR		Rnt NRT BP Exploration NPSL CBRF	33040	240.3	0.0	0.0
65477	Net Profit Share Payments-NPSL LeasesDNR		ROY NRT ConocoPhillips Oil CBRF	33040	44.0	0.0	0.0
65775	Bid Payment Interest		Bid Payment Interest	11100	2.5	0.0	0.0
65795	Oil& Gas Royalty Int		Royalty Interest	11100	96.6	84.1	84.1

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
65795	Oil& Gas Royalty Int		Royalty Interest	34011	0.7	0.6	0.6
65797	Royalty Interest Net		INT NRT BP Exploration Oil CBRF	33040	89.6	0.0	0.0
65797	Royalty Interest Net		INT NRT Chevron Oil CBRF	33040	0.9	0.0	0.0
65797	Royalty Interest Net		INT NRT ConocoPhillips Oil CBRF	33040	32.6	0.0	0.0
65797	Royalty Interest Net		INT NRT ExxonMobil Oil CBRF	33040	25.2	0.0	0.0
65797	Royalty Interest Net		Royalty Interest net	11100	-1,213.2	6,300.0	4,900.0
65797	Royalty Interest Net		Royalty Interest Net	34011	-51.1	45.0	35.0
68515	Unrestrict Fu Source		INT (34) Bid Pymt Int Post CH13	11100	2.5	0.0	0.0

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestrict Fu Source		INT (FH) Fed Int PF Post CH13	11100	20.6	18.0	18.0
68515	Unrestrict Fu Source		INT (FI) Fed Interst PF	11100	25.6	22.3	22.3
68515	Unrestrict Fu Source		INT (FJ) O&G Admin Int PF	11100	130.8	1,991.3	1,548.8
68515	Unrestrict Fu Source		INT (FM) O&G Admin Int PF CH	11100	-5,371.2	663.7	516.2
68515	Unrestrict Fu Source		MNR (MR) Minimum Roy PF	11100	7.5	10.0	10.0
68515	Unrestrict Fu Source		O&G Bonus Deposit PF Pos	11100	4,999.7	0.0	0.0
68515	Unrestrict Fu Source		RENT (25) O&G Net Prof Share PF	11100	15,309.2	47,266.6	50,610.8
68515	Unrestrict Fu Source		RENT (30) O&G Lease Rental PF	11100	72.9	0.0	0.0

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestrict Fu Source		RENT (35/X/Y) O&G Lease Rental P	11100	3,929.3	0.0	0.0
68515	Unrestrict Fu Source		RENT (FR) MMS/FED Shared PF	11100	1.9	1.8	1.8
68515	Unrestrict Fu Source		RENT (FT) MMS PF Post CH13	11100	117.6	116.3	116.3
68515	Unrestrict Fu Source		Roy (31) In Kind PF	11100	218,870.2	213,952.8	234,451.8
68515	Unrestrict Fu Source		Roy (32/TG) Gas Roy In Value PF	11100	15,559.6	18,116.9	18,791.1
68515	Unrestrict Fu Source		Roy (33/TO) In Value PF	11100	190,211.5	185,938.0	203,752.9
68515	Unrestrict Fu Source		Roy (36) In Kind PF Post CH13	11100	22,418.3	21,914.6	24,014.2
68515	Unrestrict Fu Source		Roy (37) Gas Royalty In Value	11100	4,651.6	5,416.2	5,617.7

**Unrestricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestricted Fund	2,214,869.9	2,241,898.7	2,444,351.7

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
68515	Unrestrict Fu Source		Roy (38) In Val PF Post CH 13	11100	202,492.3	197,942.8	216,907.9
68515	Unrestrict Fu Source		Roy (FU) O&G MMS PF Post CH13	11100	3,065.4	2,941.9	2,941.9
68515	Unrestrict Fu Source		Roy (FY) O&G Fed Shared PF	11100	3,677.2	3,529.1	3,529.1

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51010	Federal Receipts	88.3	234.1	234.8

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
57790	Fed Proj Nat Resourc		Onshore Compliance	11100	88.3	234.1	234.8

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51015	Interagency Receipts	3,946.2	0.0	0.0

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51015	Interagency Receipts		Instate Gasline AST	11100	3,934.9	0.0	0.0
51015	Interagency Receipts		O&G Fed Div Ind	11100	4.6	0.0	0.0
51015	Interagency Receipts		Tax & Royalty Report	11100	6.7	0.0	0.0

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51060	General Fund Program Receipts	63.5	68.6	70.5

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51060	GF Program Receipts		Oil & Gas Fees	11100	63.5	68.6	70.5

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51063	Statutory Designated Program Receipts	380.7	818.2	450.0

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51063	Stat Desig Prog Rec		Stat Desig- Contract	11100	0.0	450.0	69.3
55922	Stat Desig -Contract		NPR-A Science Initiative	11100	12.5	0.0	12.5
55922	Stat Desig -Contract		PERL Bond	11100	368.2	368.2	368.2

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51200	Capital Improvement Project Receipts	112.4	17.2	17.2

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51200	Cap Improv Proj Rec		In-State Gas Pipeline	11100	112.4	17.2	17.2

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51373	Permanent Fund Earnings Reserve Account	3,491.2	3,594.7	3,709.9

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51373	Permanent Fund Earnings		Perm Fund Earnings	11100	3,491.2	3,594.7	3,709.9

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

<b>Master Account</b>	<b>Revenue Description</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51434	State Land Disposal Income Fund	727.4	744.0	762.6

**Detail Information**

<b>Revenue Amount</b>	<b>Revenue Description</b>	<b>Component</b>	<b>Collocation Code</b>	<b>AKSAS Fund</b>	<b>FY2010 Actuals</b>	<b>FY2011 Management Plan</b>	<b>FY2012 Governor</b>
51434	State Land Disposal Income Fund		LDIF Oil & Gas	11164	727.4	744.0	762.6

**Restricted Revenue Detail**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Master Account	Revenue Description	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51475	Misc Earnings	0.0	382.6	0.0

**Detail Information**

Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
51475	Misc Earnings		Cook Inlet Energy Recl. Bond	11100	0.0	132.6	0.0
51475	Misc Earnings		Interest Earning on Redoubt Unit	11100	0.0	250.0	0.0

**Inter-Agency Services**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2011		
				FY2010 Actuals	Management Plan	FY2012 Governor
73169	Federal Indirect Rate Allocation The division's federal indirect rate Allocation for (BOERME) (Minerals Management Services (MMS)) funding.  The FSS = 7.30% Division=6.42%	Intra-dept	NatRes	11.0	12.0	12.0
<b>73169 Federal Indirect Rate Allocation subtotal:</b>				<b>11.0</b>	<b>12.0</b>	<b>12.0</b>
73804	Economic/Development (IA Svcs) DNR Public Information Center RSA.	Intra-dept	NatRes	7.5	7.5	7.5
<b>73804 Economic/Development (IA Svcs) subtotal:</b>				<b>7.5</b>	<b>7.5</b>	<b>7.5</b>
73805	IT-Non-Telecommnctns ETS Computer Services.	Inter-dept	Admin	70.7	55.0	55.2
73805	IT-Non-Telecommnctns Symantic antivirus 0.7 and Microsoft Contract 14.8	Inter-dept	Admin - Computer Services	0.0	15.5	15.5
<b>73805 IT-Non-Telecommnctns subtotal:</b>				<b>70.7</b>	<b>70.5</b>	<b>70.7</b>
73806	IT-Telecommunication ETS Computer Services EPR RSA (Phones and VPN).	Inter-dept	Admin	57.5	61.1	61.1
<b>73806 IT-Telecommunication subtotal:</b>				<b>57.5</b>	<b>61.1</b>	<b>61.1</b>
73809	Mail Central Mail RSA.	Inter-dept	Admin	3.6	3.9	3.9
<b>73809 Mail subtotal:</b>				<b>3.6</b>	<b>3.9</b>	<b>3.9</b>
73810	Human Resources Division of Personnel/Human Resources RSA.	Inter-dept	Admin	10.8	15.0	15.0
<b>73810 Human Resources subtotal:</b>				<b>10.8</b>	<b>15.0</b>	<b>15.0</b>
73811	Building Leases Atwood Building lease space for 8th (13667 sq ft) and 11th (13978 sq ft) floors.	Inter-dept	Admin	260.2	263.0	263.0
73811	Building Leases North Slope Building Lease shared with Division of Mining, Land & Water	Inter-dept	Admin	0.0	8.2	8.2
<b>73811 Building Leases subtotal:</b>				<b>260.2</b>	<b>271.2</b>	<b>271.2</b>
73812	Legal Regulations RSA	Inter-dept	Law	500.6	0.6	0.6
<b>73812 Legal subtotal:</b>				<b>500.6</b>	<b>0.6</b>	<b>0.6</b>
73814	Insurance Risk Management Public Official Bond RSA. Risk Management Overhead RSA. Non-Shared Facilities.	Inter-dept	Admin	0.5	1.2	1.2
<b>73814 Insurance subtotal:</b>				<b>0.5</b>	<b>1.2</b>	<b>1.2</b>
73815	Financial Division of Finance AKSAS/AKPAY RSA.	Inter-dept	Admin	6.3	6.0	6.8
<b>73815 Financial subtotal:</b>				<b>6.3</b>	<b>6.0</b>	<b>6.8</b>
73816	ADA Compliance Americans with Disabilities Act (ADA) Compliance RSA.	Inter-dept	Labor	1.3	1.3	1.3
<b>73816 ADA Compliance subtotal:</b>				<b>1.3</b>	<b>1.3</b>	<b>1.3</b>
73819	Commission Sales (IA Svcs) Contract Service fees for US Travel	Inter-dept	Admin	2.0	7.0	7.0
<b>73819 Commission Sales (IA Svcs) subtotal:</b>				<b>2.0</b>	<b>7.0</b>	<b>7.0</b>
<b>Oil &amp; Gas Development total:</b>				<b>932.0</b>	<b>457.3</b>	<b>458.3</b>

**Inter-Agency Services**  
**Department of Natural Resources**

**Component:** Oil & Gas Development (439)  
**RDU:** Resource Development (136)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2010 Actuals	FY2011 Management Plan	FY2012 Governor
Grand Total:				932.0	457.3	458.3