

Healy Gas Development – the long and winding road

May 2003 – Usibelli Coal Mine, Inc. applies for shallow gas leases on 46,000 acres in 8 areas near Healy. In July, representatives of DCC meet with Usibelli representatives to discuss the application.

Aug 2003 – DCC submits comments on the application to Department of Natural Resources (DNR), Division of Oil and Gas, detailing concerns related to impacts of gas development. Meanwhile citizens in the Mat-Su Valley are demanding that the state of Alaska more proactively regulate this new industry.

March 11, 2004 – DCC sponsors first local meeting on gas development, hosts Chris Whittington-Evans from Friends of Mat-Su and Steven Denton from Usibelli Coal Mine.

Apr, 2004 – Stampede Summit #1 focuses attention on Future of the Area. Survey of participants learns that folks are interested in keeping the Stampede area rural. State of Alaska issues Preliminary Enforceable Standards for CBM development in the Mat-Su. Ongoing public comment is sought.

Spring 2004 – DCC makes short presentation on gas drilling concerns in the Denali Borough before the Middle Nenana Fish and Game Advisory Committee.

Early May 2004 – State Legislature passes HB 531 eliminating the shallow gas program and mandating a competitive process with Best Interest Finding. New licensing program will permit both shallow and deep gas exploration.

May 14, 2004 – DCC sponsors second informative meeting in the Denali Borough. Oil and Gas employee Pat Galvin discusses the new legislation and the developing enforceable standards.

Sept - Oct 2004 – Evergreen, now merged with Pioneer Natural Resources, relinquishes most of its gas leases in the Mat-Su area. Mat-Su Borough Assembly passes Ordinance 04-175 (AM), providing detailed regulation of surface gas development activities, revolving around the issuance of a conditional use permit for those activities.

Nov 2004 – State of Alaska, Department of Natural Resources, Division of Oil and Gas, issues a call for competitive proposals on a proposal to explore for gas on over 500,000 acres around Healy.

Dec 2004 – Division of Oil and Gas publishes Final Enforceable Standards for Development of CBM in the Mat-Su. Although not perfect, these standards provide a platform from which to address gas development issues.

Jan 11, 2005 – Having received no competitive proposals, the state of Alaska calls for comments on Usibelli's proposal to explore for gas, no longer 500,000 acres, instead on 208,000 acres around Healy. Call for comments contains map that has since become the focus of deliberations.

Jan 19, 2005 – DCC hosts Pat Galvin and Steve Denton for a discussion on the new proposal and implications for the borough. Meeting at Tri-Valley Community Center has more than 30 attendees.

Mar 2, 2005 – DCC hosts Landowner Rights Workshop, featuring Gwen Lachelt of the Oil and Gas Accountability Project and Bob Shavelson of Cook Inlet Keeper, at Tri-Valley Community Center.

Mar 10, 2005 - DCC submits scoping comments on the proposal to explore for gas on 208,000 acres around Healy.

April 1-2, 2005 – DCC hosts Stampede Summit #2, placing gas development in the broader context of numerous activities in the Healy area. Mitch Usibelli presents on the gas development issue.

Aug 31, 2005 – State of Alaska Division of Oil and Gas issues a Preliminary Best Interest Finding for Healy Basin Gas Exploration, on the same 208,000 acres. Scoping comments from March are addressed. Chapter Seven, Mitigations, relies on many of the “enforceable standards” developed for Mat-Su.

Oct 10, 2005 - Public hearing held in Healy on Preliminary BIF, testimony received from several DCC members, advocating for protection of habitat, wildlife, local rural values.

Oct 31, 2005 – **Deadline for comments** on Preliminary BIF. DCC submits 18 pages of comments suggesting that the state remove sensitive lands west of the Nenana River from the licensed area. The Denali Borough Assembly does not submit comments by the deadline, reserving the right to comment later.

Dec 2005 – Borough Assembly introduces two ordinances that seek to regulate gas development. Ordinance 05-20, introduced by Sid Michaels, copies the Mat-Su ordinance approach. Ordinance 05-21, introduced by the Mayor, establishes prohibitions and setbacks. Objections come almost immediately via a letter from Charlie Boddy & Mitch Usibelli.

Feb 2006 – DCC sends a letter to the Borough Mayor and Assembly re-affirming the appropriateness of their involvement in gas regulation and suggesting that they deal directly with the state.

Mar 9, 2006 – Denali Borough Assembly asks the state of Alaska to re-open comments on the Preliminary BIF. Their request is denied.

April - June, 2006 – DCC writes to the Borough Assembly detailing a Vision for lands West of Healy - orderly settlement, protection of wildlife habitat, recreation and tourism. DCC presents before members of the Denali Borough Assembly in late May, detailing the reasons for our position.

Sept 13, 2006 – Assembly, after much debate, adopts Ordinance 05-21G, prohibiting gas development on lands west of the Parks Highway. Mayor receives letter from Pat Galvin, Div. of Oil and Gas, questioning the borough's right to prohibit gas development. Letter from the Borough Attorney Gorski supports Galvin's argument.

Summer 2007 - In July, DNR Commissioner Tom Irwin issues a statement opposing "the growing trend of anti-resource development initiatives in Alaska," citing the Denali Borough ordinance as an example.

Late 2007 - The Mayor and Assembly members Kohlsdorf, Mercer and Usibelli meet with DNR representative Bruce Anders and Usibelli representative in Fairbanks regarding the stalled gas exploration process.

Jan 2008 - Mitch Usibelli and Bruce Anders speak at January Assembly meeting, urging borough to recognize illegality of Ordinance 05-21.

Feb 2008 – David Evans introduces Ordinance 08-07, which leaves in prohibited areas but deletes Section C, the surface use agreement language. This ordinance is debated and amended through three separate meetings.

May - June 2008 – The Assembly passes Ordinance 08-07, amended, which deletes all prohibitions and virtually repeals Ordinance 05-21. Setback language is all that remains of the ordinance. An attempt to pass a resolution supporting exclusion of areas west of the Parks Highway fails by a 4 to 3 vote. In June, a second resolution supporting the spirit of Ordinance 05-21, sponsored by Assembly Member Clay Walker, fails to get enough votes to be introduced.

Summer 2008 – DCC President Nancy Bale questions Jonne Slemons, DNR Petroleum Land Manager of the Division of Oil and Gas, and the lead agent on Healy Gas since Pat Galvin left, regarding delay in Final Best Interest Finding, is told that other priorities have intervened and that the final will not be out before 2009. A discussion with Deputy Commissioner Marty Rutherford reveals some sympathy regarding the long wait, but no clear plan for resolution.

May 2010 – Nancy Bale and Vicki Clark, Trustees for Alaska, meet with Jonne Slemons. She announces that Final BIF is in late stages of development, describes changes made in response to preliminary comments, and solicits our concerns, which are discussed then sent in an email, for conveyance to Commissioner Tom Irwin.

June 28, 2010 – Final Finding on Healy Gas Exploration is published, makes no changes to the size of the license area and rebuffs suggestions for enhanced mitigations from comments. Respondents are presented with the minimum required by law – only 20 days to request reconsideration of this final document after having waited almost five years for it.

July 28, 2010 – Seven of the individuals (13 in all) who requested reconsideration are informed that their requests have been granted and that the Commissioner of DNR, Tom Irwin, will review them and respond with a decision in an indefinite time.

Nov 9, 2010 – The seven reconsideration grantees receive emailed letters informing them that Commissioner Tom Irwin has decided that the Final Finding will stand as published in June, 2010. Then, Commissioner Irwin resigns.

Nov-Dec, 2010 – DCC Board and the seven grantees consider their options with respect to the Commissioner's decision.

Dec 9, 2010 – Thirty day deadline to file an administrative appeal of the Final Finding decision in Superior Court.