

# Beaufort suit rejected

The Associated Press

JUNEAU — The Alaska Supreme Court has rejected all but one of five legal challenges filed by North Slope Natives to the State's December 1979 sale of oil and gas leases in the Beaufort Sea.

Sale of the state leases in the joint federal-state auction more than two years ago was

challenged by the North Slope Borough, three individuals, the city of Barrow and six North Slope villages.

They argued the state went ahead with the sale without adequate information on the impact oil development would have on the environment and subsistence culture of Natives.

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# Court rules no wrongdoing in lease sale

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A copy of the order had reached the North Slope Borough office late Monday and had not been reviewed for comment by Tundra Times press time. We will carry comment from North Slope officials in next week's issue.

The suit also charged that the process state Department of Natural Resources officials employed to make their finding that the sale was in the state's best interest did not comply with state law, and that officials violated Alaska's open meeting law.

Gov. Jay Hammond and Attorney General Wilson Condon both expressed pleasure at the court decision issued Friday.

"I'm delighted. I was worried," said Condon. "I believed we were going to win, but as the months went by, we got more and more concerned, particularly with the state's revenue picture."

The state received a half-billion dollars in cash from the lease sale, plus a promised percentage of the oil companies' net profits from eventual oil production on the tracts.

If the state had lost the lawsuit, the state could have been ordered to void the leases and return the money, Condon said. The money al-

ready has been spent, except for a portion that was channeled into the permanent fund.

Hammond's press secretary, Chuck Kleeschulte, said Hammond responded with one word when told of the decision: "Great."

The North Slope Borough, Barrow, Eben Hopson Sr., Jacob Adams and the villages of Nuiqsut and Point Hope asked the Supreme Court to invalidate leases on all lands outside of the Barrier Islands.

Archie Brower and the villages of Kaktovik, Wainwright, Anaktuvuk Pass and Point Lay sought to invalidate all leases sold in December 1979, whether inside or outside the Barrier Islands.

The federal portion of the lease sale also was contested, but that challenge was rejected by the U.S. Court of Appeals in Washington, D.C.

In its decision on the state portion of the sale, the Alaska Supreme Court directed the Department of Natural Resources to reconsider whether the lease sale complied with standards established by the Alaska Coastal Management Act.

That is the only legal claim the court did not reject.

"I'm not worried about it," Condon said. He said the court basically ordered the state to "tell us how you complied."

Condon said he believes the department will be able to explain in detail that requirements of the act were met.

The state claimed Superior Court Judge Jay Hodges of Fairbanks, who handled the case at the lower court level, erred in asking the department for additional findings on the effects of oil and gas leasing on the subsistence culture of residents of the area.

The Supreme Court said, however, that that was an important consideration and Hodges did not abuse his discretion.

"Under the circumstances, it was only prudent for the court to seek additional justification from the commissioner, in a salutary effort to give the executive branch of government proper deference," the Supreme Court said in an opinion written by Justice Edmund W. Burke.

The high court rejected

challenges that:

- \* Former Resources Commissioner Robert E. LeResche did not have adequate information to support his conclusion that the sale was in the best interests of the state.

- \* That development of the leased land would violate the Marine Mammal Protection Act and the Endangered Species Act.

- \* That LeResche's choice of bidding methods for the sale was flawed on procedural grounds.

- \* That substantial harm resulted because meetings of advisory committees on the lease sale were held in violation of state public meeting laws requiring reasonable notice.

While Condon and Hammond hailed the court decision, Rep. Don Clocksin, D-Anchorage, reacted with disappointment and said the ruling "bodes ill for state decision-making."

Clocksin, a former attorney for Alaska Legal Services, represented the villagers when they filed suit. He said Friday that he remains firmly convinced the state went ahead with the Beaufort lease sale without enough information on the impact of oil development.

In analyzing whether to proceed with the sale, state officials used a "sloppy process" that resulted in inadequate review and lack of public input, Clocksin said.

"The court is affirming what I view as a flawed way to make decisions. It means closed meetings, inadequate input and decisions being made before information is available," Clocksin said.