



'Loophole' in 1966 Land Freeze Order Cited by Protester

A licensed geologist and land surveyor took action this week to prevent the Bureau of Land Management from immediately granting oil and gas leases on millions of Alaska's future oil lands when the current land freeze is lifted.

George E. Utermohle, Jr. filed a formal protest with the BLM in Anchorage opposing any leasing of lands on which an Offer to Lease does not "fully comply with the requirements of all applicable laws, orders, regulations and notices."

The Alaska resident contended that due to a "loophole" created by the land freeze of 1966, speculators have managed to hold priorities to over 20 million acres of potential Alaska oil lands.

The priority to which he referred is known as an Offer to Lease. According to a spokesman at the Fairbanks Bureau of Land Management office, parties must file an Offer to Lease before an actual lease is issued. On lands affected by the 1966 land freeze, he continued, the Bureau holding in abeyance Offers to Lease, has issued no leases there. And, he added, the Offer to Lease does not mean that the lease will automatically be granted when the freeze is lifted.

As stated in his protest, Uter-

mohle wants to make sure that, when the leases are issued, the rights of the people and the U.S. Government are safeguarded.

He stated that according to the Code of Federal Regulations, "Every offer for an oil and gas lease for unsurveyed lands must state in his offer that there are no settlers upon the land, or if there be settlers, give the name and post office address of each and a description of the lands claimed."

With 18 years experience in petroleum, mining, and engineering, Utermohle contended that the offer to lease should have documentary evidence that he did in good faith make a reasonable effort to determine whether there are settlers on the land.

Offers that have been signed by the BLM, he continued, without documentary evidence to this effect, should be invalidated.

As proof that he has a basis to question the validity of Offers to Lease, Utermohle cites the filing of numerous offers over

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long existing native allotments and other designations that may indicate settled areas.

During the oil land boom in the second half of 1968, "Many if not all, lease operators," he wrote, "made no effort to ascertain whether or not the land was occupied before entering an Offer to Lease."

It was at this time, he added, that over 20 million acres of land were covered by Offers to Lease.

Secondly, he charged that, contrary to the federal regulations previously cited, most, if not all, of these offers do not have an idea where their Offers were located.

The Federal public lands of Alaska, he added, are not surveyed excepting those having final survey acceptance on the official records of the BLM.

Thirdly, Utermohle charged that "the operation of the Department of Interior land offices in Alaska in the latter part of 1968 was not conducted in the orderly procedure intended by the Congress of the United States."

Due to the situations created by the land freeze, that "enabled speculators to gain title and continue to hold this title on millions of acres of potential oil lands without them paying a single cent, a 'Land Grab' was perpe-

trated," he said.

Thus, he contended that not only do these offers fail to comply with federal regulations as previously discussed, but also the situation represents the loss of "millions and possibly billions of dollars to the taxpayers of the United States."

Utermohle, who has a B.S. degree in Geology and a masters degree in geography, seems to be directing his effort to future, not past, oil and gas leases.

In citing his reasons for making the protest, Utermohle stressed that he will derive no monetary benefit from any results of the protest.

Rather the protest was made, he said, because the granting of any lease not complying with federal regulations will: "1. represent appropriation of public lands and resources of the United States. 2. Will in effect deny the settlers and native peoples of Alaska the protection established by Federal Regulations and 3. A priority issued in lieu of a lease will constitute a Federal government "loophole" requiring the State of Alaska to issue non-competitive leases on certain lands to be selected by the State of Alaska at a future date."