



August 28, 2020

Commissioner Jeremy Price, Chairman  
Alaska Oil and Gas Conservation Commission  
333 West 7th Avenue, Suite 100  
Anchorage, AK 99501

**Re: FURIE Operating Alaska, LLC comments on “New Proposed Bonding Regulations – AOGCC proposal to adopt regulation changes to 20 AAC 25.025 of the Alaska Administrative Code, dealing with Bonding.”**

Dear Commissioner Price:

FURIE Operating Alaska, LLC (FURIE) has reviewed the proposed changes to existing bonding regulations. We are supportive of the changes being proposed to Alaska Administrative Code 20 AAC 25.025 contingent upon the consideration that they should take into account any financial security a company has on deposit, bonded or in a sinking fund with any state agency.

We will be submitting under separate cover the final FURIE proposed bonding schedule that reflects the 7-year revised annual installments, as well as the sinking fund that has been established by FURIE with DNR for DR&R obligations.

FURIE supports the proposed changes as discussed. We believe the Commission’s effort to reduce redundant bonding requirements and undue financial burdens on small independent operators is necessary. Ensuring continued investment and production from Cook Inlet will allow the Railbelt Utilities and the Interior to provide reliable energy for a sustainable economy. We appreciate the Commission’s efforts to eliminate redundant financial responsibility requirements that are currently required by multiple State agencies.

Thank you for supporting the viability and sustainability of Cook Inlet producers.

Sincerely,

A handwritten signature in blue ink, appearing to read "John L. Hendrix", is written over a circular stamp or watermark.

John L. Hendrix  
President & CEO  
FURIE Operating Alaska LLC

Cc:

Jessie Chmielowski, AOGCC Commissioner  
Dan Seamont, AOGCC Commissioner  
Jody Colombie, Special Assistant AOGCC

