

SB 59: OIL & GAS EXPLORATION/DEVELOPMENT AREAS

SECTIONAL ANALYSIS

FOR THE SENATE SPECIAL COMMITTEE ON TAPS THROUGHPUT • FEBRUARY 19, 2013

Section 1 of SB 59 adds a new subsection (o) to AS 38.05.035 that allows the director to approve exploration or development for all or part of an area previously approved for oil and gas or gas only leasing under best interest findings as required under AS 38.05.035(e).

This section preserves the right for the public to comment by requiring the Department of Natural Resources to provide public notice.

If the approval is granted, exploration and development activities would be valid for a period of up to 10 years as specified by the director and the lessee can begin exploration or development only if it receives other authorizations as required by state or federal law.

This approval process would apply only to lands DNR previously described as areawide lease sales in its five-year program of proposed oil and gas or gas only lease sales.

Section 2 of SB 59 establishes an immediate effective date.