

**From:** [Shelly Erickson](#)  
**To:** [Senate Finance Committee](#); [Rep. Paul Seaton](#); [Sen. Peter Micciche](#)  
**Subject:** SB130  
**Date:** Friday, April 15, 2016 9:42:34 AM

---

To: Senate Finance Committee:

I missed the deadline, and also did not hear about the public testimony in time to talk with you on 4/14/16. I have really strong feeling about some qualifications that need to be added to the bill for the protection of Alaskan businesses and the State of Alaska.

Buccaneer Energy Group came to the Homer area and did an exploratory well. We worked closely with them to get paid and we did. Unfortunately for us and many other unsecured vendors, Buccaneer filed for bankruptcy in Texas. They had 5 companies that they filed bankruptcy with. They received their tax credit. They are a foreign based company.

When they filed bankruptcy in Texas, it eliminated all of our Alaskan lawyers who were not licensed in Texas. That became a huge issue for all of us as it became a manipulative tool for the settlement lawyers to get more money out of our company, that we did not owe,(as the cost to go to Texas and get new lawyers would have been even greater).

In the process, people within that company at many levels have moved on to other Alaskan exploration jobs.

Our company was sued for fuel I bought, paid for, resold to Buccaneer, they paid for it, they used it, and the bankruptcy court made us pay Buccaneer the money back. This not only happened to me but other companies.

It cost us thousands of dollars we didn't have.. I know of another small company that has had to go to the bank to get a loan to pay them back for the services and products they used and are now forced to pay for Buccaneers bankruptcy. There is no grace period for paying back the bankruptcy courts.

My understanding is that they moved the lease to another company before the bankruptcy happened, and they are looking at reopening the well. There should not be a tax credit allowed again, as the rumor on the street is that the well/ground was and is unstable. Tie the credit to one time lease, not multiple especially in a situation like we have experienced.

My understanding is there was no public or internal oversite on the tax credits to know what happened to the money from the state.

The oil tax credits need to have a provision in them that if a company goes bankrupt, they will not be given the oil tax credit, or there is serious oversight before any money is given to the bankrupt company to protect Alaskan businesses and the State of Alaska.

After Buccaneer Energy Group went bankrupt they came back through the bankruptcy courts and made all the small Alaskan businesses with unsecured debt pay thousands of dollars through the legalized stealing from the bankruptcy. They had received their tax credit. Following are recommendations that I feel need to be in the bill:

1. You can not file bankruptcy outside the state of Alaska
2. Any corporate officer, shareholders, people who worked high up within the company can not come back to the state of Alaska and work under another company for at least 5 years.
3. You can not file bankruptcy until 6 months after the job has been finished ( the Claw Back Law which is (90 days), is what they used to steal from all of us)

If you need more explanation, I would be most happy to talk with you.

Shelly Erickson

HomeRun Oil Inc.

907-399-4700