

1 IN THE SENATE

BY THE JUDICIARY COMMITTEE

2 SENATE BILL NO. 337

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 THIRD LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to damages for extraction
7 of oil or gas without right."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 31 is amended by adding a new chapter to read:

10 CHAPTER 30.

11 Sec. 31.30.010. DAMAGES FOR WRONGFUL EXTRACTION OF OIL
12 OR GAS. (a) If oil or gas has been or is extracted from any
13 existing or subsequently drilled well by any person without
14 right but who asserts a claim of right in good faith or who
15 is acting under an honest belief as to the law or the facts,
16 the measure of damages, if there is any right of recovery
17 under existing law, shall be the value of the oil or gas at
18 the time of extraction, without interest, after deducting all
19 costs of development, operation, and production. The costs
20 shall include taxes and interest on all expenditures from
21 the date of the expenditures.

22 (b) In this section "oil or gas" includes all hydro-
23 carbon minerals.
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