

1 IN THE SENATE

BY PALMER

2 SENATE BILL NO. 492

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the use of gas to manufacture  
7 carbon products."

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

9 \* Section 1. AS 31.05.120 is amended to read:

10 Sec. 31.05.120. USE OF GAS [FROM WELL] TO MANUFACTURE CARBON  
11 PRODUCTS WITHOUT PERMIT IS PRIMA FACIE WASTE. The use of gas [FROM A  
12 WELL PRODUCING GAS ONLY, OR FROM A WELL WHICH IS PRIMARILY A GAS WELL]  
13 for the manufacture of carbon black or similar products predominantly  
14 carbon is declared to constitute waste prima facie. Gas [AND THE GAS  
15 WELL] shall not be used for this purpose unless it is clearly shown  
16 at a public hearing held by the department, on application of the person  
17 desiring to use the gas, that waste would not take place by the use of  
18 [THE] gas [FOR THE PURPOSE APPLIED FOR AND THAT GAS WHICH WOULD  
19 OTHERWISE BE LOST IS NOW AVAILABLE FOR SUCH PURPOSE,] and that the  
20 gas to be used can not be used for a more beneficial purpose [, SUCH  
21 AS FOR LIGHT OR FUEL PURPOSES,] except at prohibitive cost [AND THAT  
22 IT WOULD BE IN THE PUBLIC INTEREST TO GRANT THE PERMIT]. If the  
23 department finds [THAT] the applicant has clearly shown a right to  
24 use the gas for the purpose applied for, it shall issue a permit upon  
25 terms and conditions it finds necessary in order to permit the use  
26 of the gas [AND AT THE SAME TIME REQUIRE COMPLIANCE WITH THE INTENT  
27 OF THIS SECTION].  
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