

1 IN THE HOUSE

BY KERTTULA

2 HOUSE BILL NO. 12

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the leasing of public lands for
7 oil and gas exploration and development."

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

9 * Section 1. AS 38.05.180(1) is amended to read:

10 (1) When [WHERE THE] lands are classified as competitive, they
11 shall be leased by competitive bidding; however, the [. THE] holder of
12 a [THE] preference right has 10 days after receipt of notice in which
13 to submit an amount equal to the highest bid plus the rental for the
14 first year. At any competitive oil and gas lease sale, land offered
15 for lease by the state shall be limited to

16 (1) units that do not exceed 2,560 acres in size and are
17 grouped in as compact a form as possible; however, tide and submerged
18 lands may be leased in units not exceeding 5,760 acres;

19 (2) units that corner one another or are separated from one
20 another by at least two sections of land; and

21 (3) units that contain in the aggregate not more than half
22 the total acreage lying either within the township or within a known
23 geologic structure, whichever the commissioner determines appropriate.

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