

Introduced: 2/25/74  
Referred: Resources,  
Judiciary and Finance

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE  
BY REQUEST

2 HOUSE BILL NO. 751

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to oil and gas development."

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

8 \* Section 1. AS 38.05 is amended by adding a new section to read:

9 Sec. 38.05.297. INSPECTION PERMITTED. (a) The department may,  
10 as a condition of granting a permit or lease provided for in secs. 135 -  
11 365 of this chapter, require the applicant to

12 (1) allow full observation and inspection by a person  
13 employed by the department of all oil or gas exploration efforts, drill-  
14 ing, or production facilities;

15 (2) allow a person employed by the department to be present  
16 during exploration, drilling or production efforts, and make adequate  
17 provisions for the board, lodging, and transportation of that person;

18 (3) in the case of a vessel or other facility engaged in  
19 offshore oil or gas exploration, drilling or production, allow a  
20 person employed by the department to live on the vessel or facility;

21 (4) reimburse the state, on a regular basis, for all costs  
22 incurred in the administration of this section, including the costs of  
23 inspection;

24 (5) post a surety bond or other guarantee of payment;

25 (6) observe other conditions the department considers  
26 necessary to safe-guard the public health, safety, and general welfare.

27 (b) The department shall promulgate regulations to carry out the  
28 purpose of this section, including but not limited to

29 (1) the specific duties of the inspector;

1           (2) adequate safety precautions and special insurance pro-  
2 tection for the inspector;

3           (3) a shift system providing for the frequent replacement  
4 and area transfer of an inspector;

5           (4) a liberal grant of annual leave with pay for inspectors  
6 not restricted to the provisions of AS 39.20.200;

7           (5) any other provision necessary to implement the purposes  
8 of this section.

9           (c) A person holding a permit or lease provided for under secs.  
10 135 - 165 of this chapter who refuses to allow inspection under the  
11 terms of this section is guilty of a misdemeanor and upon conviction,  
12 is punishable by a fine of not more than \$10,000 or by imprisonment  
13 for not more than one year, or by both.  
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