

BY MILLER, BRADLEY, BUTROVICH,  
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ORSINI, POLAND, SACKETT AND ZIEGLER

1 IN THE SENATE

2 SENATE CONCURRENT RESOLUTION NO. 27

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Requesting a competitive lease sale of  
6 tracts in the Beaufort Island region.

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

8 WHEREAS various alternatives have been proposed to provide adequate  
9 state revenues during the period before the operation of the trans-Alaska  
10 pipeline; and

11 WHEREAS the most advantageous of these alternatives is the competitive  
12 auction of leasable tracts in the Beaufort Island region, which would be an  
13 extension of the Prudhoe Bay field; this alternative being most desirable for  
14 the following reasons, among others:

15 (1) the leasable tracts are "highly attractive" to industry, and  
16 the state can expect a very substantial bonus income;

17 (2) the legislature has recorded testimony to the effect that a  
18 more favorable environment for leasing cannot be expected;

19 (3) production from leasable tracts would permit the trans-Alaska  
20 pipeline to operate at capacity, thus increasing the value of oil at the  
21 wellhead, wellhead value being the basis for computing state royalty income,  
22 production tax receipts and certain payments to be made into the Alaska  
23 Native fund;

24 (4) the leasable tracts are so located as to allow their develop-  
25 ment without new transportation infrastructure construction since these  
26 tracts can be serviced by the trans-Alaska pipeline and port facilities at  
27 Valdez;

28 (5) development of new leases in the Beaufort Islands would have  
29 marginal adverse environmental effect because of the shallow waters involved

1 inward from the Barrier Islands, and because existing airfields and camps now  
2 at Prudhoe Bay could service such an extension of the Prudhoe field;

3 BE IT RESOLVED by the Alaska State Legislature that the Governor is  
4 respectfully requested, subject to a satisfactory environmental assessment,  
5 to conduct a competitive lease sale of tracts in the Beaufort Islands area  
6 in the autumn of 1975, except that before holding the lease sale he shall  
7 establish minimum bids for each particular tract that will be acceptable to  
8 the state and protect the public interest.

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