

Introduced: 5/5/78
Referred: Special Committee To
Consider Royalty Oil Sales
Proposals, Resources and
Finance

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 SENATE CONCURRENT RESOLUTION NO. 107

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND SESSION

5 Approving the sale of royalty oil
6 to Earth Resources Company of
7 Alaska

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

9 WHEREAS, the State of Alaska has the right under AS 38.05.180 and its
10 oil and gas leases to take its royalty of crude oil production removed or
11 sold from said leases either in value (money) or in kind (oil); and

12 WHEREAS, the legislature has by enactment of AS 38.06 and AS 38.05.182
13 established a policy favoring the taking of that royalty in kind (referred
14 to as "royalty oil"); and

15 WHEREAS, the State of Alaska entered into a certain agreement entitled
16 "AGREEMENT FOR THE SALE AND PURCHASE OF STATE ROYALTY OIL" ("Agreement")
17 for the sale of royalty oil with Earth Resources Company of Alaska; and

18 WHEREAS, under its duties and powers as set out in AS 38.06, the
19 Alaska Royalty Oil and Gas Development Advisory Board has considered and,
20 on March 27, 1978, approved the Agreement; and

21 WHEREAS, the commissioner of natural resources has fulfilled the
22 statutory prerequisites necessary to selling the royalty oil which is the
23 subject of the Agreement and has obtained approvals from the Alaska Royalty
24 Oil and Gas Development Advisory Board, to the extent required under AS
25 38.05 and 38.06; and

26 WHEREAS, the Agreement contains a provision stating that it takes
27 effect on the date on which it has been approved by a concurrent resolution
28 by a majority of each house of the Tenth Alaska State Legislature; and

29 WHEREAS, under AS 38.06.055(a), no sale of royalty oil may be made by

1 the commissioner of natural resources without the prior approval of the
2 legislature by a concurrent resolution concurred in by a majority of the
3 members of each house; and

4 WHEREAS, the commissioner of natural resources submitted the Agreement
5 to the legislature for consideration and approval; and

6 WHEREAS, the legislature has reviewed and evaluated the Agreement, and
7 has conducted public hearings or otherwise received background information,
8 expert advice, and expressions of public opinion sufficient to make a
9 reasoned determination with respect to the Agreement; and

10 WHEREAS, the legislature finds the Agreement to be in the best interests
11 of the State of Alaska and its citizens, and further finds that the Agree-
12 ment is in compliance with all applicable constitutional directives and
13 requirements of law;

14 BE IT RESOLVED by the Alaska State Legislature that the Agreement
15 entitled "AGREEMENT FOR THE SALE AND PURCHASE OF STATE ROYALTY OIL," between
16 the State of Alaska, acting through its commissioner of natural resources,
17 and Earth Resources Company of Alaska, is hereby approved.

18
19
20
21
22
23
24
25
26
27
28
29