

Introduced: 5/21/80
Referred: Resources

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 HOUSE BILL NO. 1035

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to legislative approval of the
7 disposition of state royalty oil and gas; and providing
8 for an effective date."

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

10 * Section 1. AS 38.06.055 is repealed and re-enacted to read:

11 Sec. 38.06.055. LEGISLATIVE APPROVAL. (a) The commissioner of
12 natural resources may not enter into a sale, exchange, or other dis-
13 position of oil or gas or of the rights or waiver of the rights to
14 receive future production of royalty oil or gas under AS 38.05.183
15 without the prior approval of the legislature. The legislature may
16 approve a sale, exchange, or other disposition of oil or gas or of the
17 rights or of a waiver of the rights to receive future production of
18 royalty oil or gas only by enacting legislation. The approval required
19 by this section is in addition to the approval of the board required
20 under AS 38.06.050.

21 (b) The provisions of (a) of this section do not apply to

22 (1) the sale, exchange, or other disposition of oil or gas
23 for one year or less which sale, exchange, or other disposition is
24 entered into to relieve storage or market conditions;

25 (2) contracts for the sale of state-owned royalty gas or oil
26 that specify the sale and delivery of not more than

27 (A) 400 barrels of crude oil per day;

28 (B) 460 barrels of natural gas liquids per day; or

29 (C) 2,400 Mcf of natural gas per day.

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(c) A sale, exchange, or other disposition of oil or gas made under (b)(1) of this section may not be continued after the end of one year or renewed with the same party to provide relief for market or storage conditions without the prior approval of the legislature under (a) of this section.

* Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-070(c).