

Introduced: 6/4/80
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE

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HOUSE RESOLUTION NO. 26

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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ELEVENTH LEGISLATURE - SECOND SESSION

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Urging the commissioner of natural
resources to sell a portion of state
royalty oil by competitive bid.

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9 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES:

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WHEREAS, by AS 38.05.183 and AS 38.06, procedures are established and
standards defined for the sale of state royalty oil; and

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WHEREAS the state may expect to receive additional royalty from North
Slope leases; and

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WHEREAS it is in the best interests of the state to offer a portion of
that state royalty oil for competitive sale, for the purpose of securing a
definitive market price for royalty oil that may serve as a standard by which
to measure the validity of prices received for state royalty oil from sales
which have not been entered into as a result of competitive bid;

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BE IT RESOLVED by the Alaska House of Representatives that the governor
is respectfully requested to direct the commissioner of natural resources to
initiate procedures necessary to offer for competitive bid sale up to 50,000
barrels per day of royalty oil from North Slope production for a period not
to exceed 24 months with notice of taking of the oil in kind to be given,
consistent with provisions of law and existing lease agreements, to permit
the in kind taking of the oil at the earliest possible date; and be it

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FURTHER RESOLVED that, the determination of a definitive market price
for state royalty oil based on conditions in a competitive market is the
essence of the sale of state royalty oil under this resolution, the commis-
sioner of natural resources is urged to give broad public notice about the

1 sale of the royalty oil, and to permit interested parties a reasonable period
2 of time in which to prepare and submit bids for the royalty oil.

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