

Introduced: 2/13/84  
Referred: Resources and  
Finance

1 IN THE SENATE

BY FAHRENKAMP

2

SENATE BILL NO. 459

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to oil and gas unitization agree-  
7 ments."

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

9 \* Section 1. AS 31.05.110(q) is amended to read:

10 (q) This section applies to all involuntary units formed in the  
11 state. Subsections (a), [AND] (g) - (p), and (r) of this section  
12 apply to all voluntary units formed in the state and to a voluntary  
13 cooperative or unit plan of development or operation entered into in  
14 accordance with AS 38.05.180(p).

15 \* Sec. 2. AS 31.05.110 is amended by adding a new subsection to read:

16 (r) If a unit area includes State of Alaska leases with varying  
17 royalty rates or State of Alaska net profit share leases and the unit  
18 working interest owners and the commissioner of natural resources do  
19 not agree on an equitable division of interests or on a formula al-  
20 locating hydrocarbon production and unit operating costs among the  
21 leases in the unit area, the commission, on the petition of a party,  
22 and after notice and hearing, may determine the division of interest,  
23 or the formula to be used to allocate hydrocarbon production and unit  
24 operating costs among the leases for that unit.