

Introduced: 5/4/85
Referred: House Special Committee
on Oil & Gas and Resources

1 IN THE HOUSE

BY PEARCE

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HOUSE BILL NO. 425

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - FIRST SESSION

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A BILL

6 For an Act entitled: "An Act relating to the royalty value of a natural

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gas lease on state land; and providing for an effective

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date."

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

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* Section 1. AS 38.05.180 is amended by adding a new subsection to

11 read:

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(aa) Notwithstanding other provisions of this section, the value

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of the production of natural gas taken in value and sold under a lease

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issued under (f) of this section may not exceed the long-term contract

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price for the natural gas unless it is established by clear and convincing

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evidence that the long-term contract price was unreasonably

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low at the time of contract.

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* Sec. 2. This Act applies retroactively to leases issued before the

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effective date of this Act.

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* Sec. 3. This Act takes effect immediately in accordance with AS 01.-

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10.070(c).