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Referred: Resources, Judiciary
and Finance

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1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 186

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Oil and Gas Conserva-
7 tion Commission; changing a court rule; and providing
8 for an effective date."

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

10 * Section 1. AS 31.05.027 is amended to read:

11 Sec. 31.05.027. LAND SUBJECT TO COMMISSION'S AUTHORITY. The
12 authority of the commission applies to all land in the state lawfully
13 subject to its police powers, including [. IT APPLIES TO] land of the
14 United States and [OR TO] land subject to the jurisdiction of the
15 United States [ONLY TO THE EXTENT THAT CONTROL AND SUPERVISION OF
16 CONSERVATION OF OIL AND GAS AND PREVENTION OF WASTE BY THE UNITED
17 STATES ON ITS LAND FAILS TO CARRY OUT THE INTENT AND PURPOSES OF THIS
18 CHAPTER, AND OTHERWISE APPLIES TO FEDERAL LAND SO FAR AS AN OFFICER OF
19 THE UNITED STATES HAVING JURISDICTION, OR AN AUTHORIZED REPRESENTA-
20 TIVE, SHALL APPROVE ANY OF THE PROVISIONS OF THIS CHAPTER OR ORDERS OF
21 THE COMMISSION WHICH AFFECT LAND]. The authority of the commission
22 further applies to all land included in a voluntary cooperative or
23 unit plan of development or operation entered into in accordance with
24 AS 38.05.180(p).

25 * Sec. 2. AS 31.05.035(c) is amended to read:

26 (c) The reports and information required in (a) of this section
27 must [SHALL] be kept confidential for 24 months following the 30-day
28 filing period for all exploratory wells unless the owner of the well
29 gives written permission to release the reports and information at an

1 earlier date. If the commissioner of natural resources finds that the
2 required reports and information from exploratory wells drilled for
3 oil and gas on state land contain significant information relating to
4 the valuation of unleased state land in the same vicinity, the commis-
5 sioner shall keep the reports and information confidential for a
6 reasonable time after the disposition of all affected unleased land,
7 unless the owner of the well gives written permission to release the
8 reports and information at an earlier date. Well location, depth,
9 status and production data and production reports required by the
10 commission to be filed subsequent to the 30-day filing period are
11 [SHALL BE CONSIDERED] public information and may [SHALL] not be clas-
12 sified confidential. Production data, as used in this subsection,
13 means volume, gravity and gas-oil ration of all production of oil or
14 gas after the well begins regular production.

15 * Sec. 3. AS 31.05.070(a) is amended to read:

16 (a) The commission may summon witnesses, administer oaths, and
17 require the production of records, books, and documents for exami-
18 nation at a hearing or investigation conducted by it. [A PERSON MAY
19 NOT BE EXCUSED FROM ATTENDING AND TESTIFYING, OR FROM PRODUCING BOOKS,
20 PAPERS AND RECORDS BEFORE THE COMMISSION OR A COURT, OR FROM OBEDIENCE
21 TO THE SUBPOENA OF THE COMMISSION OR A COURT, ON THE GROUND OR FOR THE
22 REASON THAT THE TESTIMONY OR EVIDENCE, DOCUMENTARY OR OTHERWISE,
23 REQUIRED OF THAT PERSON MAY TEND TO INCRIMINATE OR SUBJECT THAT PERSON
24 TO A PENALTY OR FORFEITURE.] This section does not require a person
25 to produce books, papers, or records, or to testify in response to an
26 inquiry not pertinent to some question lawfully before the commission
27 or court for determination. If a witness claims the privilege against
28 self-incrimination, the commission may request the attorney general to
29 apply to the superior court under AS 12.50.101 for an order compelling

1 testimony. [A NATURAL PERSON IS NOT SUBJECT TO CRIMINAL PROSECUTION
2 OR TO A PENALTY OR FORFEITURE FOR OR ON ACCOUNT OF ANY TRANSACTION,
3 MATTER OR THING CONCERNING WHICH, IN SPITE OF OBJECTION, THAT PERSON
4 MAY BE REQUIRED TO TESTIFY OR PRODUCE EVIDENCE, DOCUMENTARY OR OTHER-
5 WISE, BEFORE THE COMMISSION OR COURT, OR IN OBEDIENCE TO ITS SUBPOENA.
6 HOWEVER, A PERSON TESTIFYING IS NOT EXEMPT FROM PROSECUTION AND PUN-
7 ISHMENT FOR PERJURY COMMITTED IN SO TESTIFYING.]

8 * Sec. 4. AS 31.05 is amended by adding a new section to article 2A to
9 read:

10 ARTICLE 2A. MISCELLANEOUS PROVISIONS.

11 Sec. 31.05.141. AFFILIATION WITH THE INTERSTATE OIL COMPACT
12 COMMISSION. The governor, in the name of the state, may join with the
13 other states in the interstate compact to conserve oil and gas, exe-
14 cute agreements to extend the expiration date of the interstate com-
15 pact, and determine when it is in the best interests of the state to
16 withdraw from the compact and take the actions necessary to effect the
17 withdrawal. The governor, or the governor's designee, is the official
18 representative of the state in the interstate compact, and shall take
19 whatever action is considered appropriate in connection with that
20 position.

21 * Sec. 5. AS 31.05.150(a) is amended to read:

22 (a) A person who [WILFULLY] violates a provision of this chap-
23 ter, or a regulation or order of the commission adopted under this
24 chapter, is liable for [SUBJECT TO] a civil penalty of no [NOT] more
25 than \$5,000 per day [\$1,000] for each day [ACT] of violation [AND FOR
26 EACH DAY THAT THE VIOLATION CONTINUES], unless the penalty for vio-
27 lation is otherwise provided for and made exclusive in this chapter.

28 * Sec. 6. AS 31.05.150(b) is amended to read:

29 (b) If a person, for the purpose of evading this chapter, or any

1 regulation or order of the commission adopted under this chapter,
2 knowingly commits any of the acts specified in AS 11.46.630(a)(1) --
3 (4), that person is guilty of a class A misdemeanor [WILFULLY MAKES OR
4 HAS MADE A FALSE ENTRY IN A RECORD, ACCOUNT OR MEMORANDUM REQUIRED BY
5 THIS CHAPTER, OR BY A REGULATION OR ORDER, OR WILFULLY OMITTS, OR
6 CAUSES TO BE OMITTED, FROM A RECORD, ACCOUNT OR MEMORANDUM, FULL, TRUE
7 AND CORRECT ENTRIES AS REQUIRED BY THIS CHAPTER, OR BY A REGULATION OR
8 ORDER, OR REMOVES FROM THE STATE OR DESTROYS, MUTILATES, ALTERS OR
9 FALSIFIES SUCH RECORD, ACCOUNT OR MEMORANDUM, THE PERSON IS GUILTY OF
10 A MISDEMEANOR, AND UPON CONVICTION IS PUNISHABLE BY A FINE OF NOT MORE
11 THAN \$5,000, OR BY IMPRISONMENT IN JAIL FOR NOT MORE THAN SIX MONTHS,
12 OR BY BOTH].

13 * Sec. 7. AS 31.05.150 is amended by adding a new subsection to read:

14 (f) A person who knowingly violates a regulation or order of the
15 commission is guilty of a misdemeanor punishable by a fine of no more
16 than \$5,000 per day for each day of violation.

17 * Sec. 8. Section 3 of this Act has the effect of changing Rule 732 of
18 the Uniform Rules of Criminal Procedure, adopted by the Alaska Supreme
19 Court in State v. Serdahely, 635 P.2d 1182 (Alaska 1981). It changes the
20 immunity granted a witness for compelled testimony from "transactional"
21 immunity to "use" immunity.

22 * Sec. 9. This Act takes effect immediately in accordance with AS 01.-
23 10.070(c).

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