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Referred: Oil & Gas, Labor & Commerce,  
Resources and Finance

5-0282A

1 IN THE SENATE

BY KERTTULA

2

SENATE BILL NO. 47

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 sale of royalty oil."

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

8 \* Section 1. The commissioner of natural resources may not enter into a  
9 contract for the sale of royalty oil under AS 38.05 unless the contract  
10 contains a provision that

11 (1) advises the purchaser that the purchaser may be held liable  
12 to the state for a retroactive adjustment of the purchase price as a result  
13 of the settlement or judicial resolution of State of Alaska v. Amerada  
14 Hess, et al., C.A. 77-747, Superior Court for the State of Alaska, First  
15 Judicial District at Juneau; and

16 (2) requires the purchaser to deposit into an escrow account an  
17 amount agreed upon by the commissioner and the purchaser that is to be  
18 applied to the retroactive price adjustment.

19 \* Sec. 2. This Act applies to contracts entered into on or after the  
20 effective date of this Act.