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

5-0285A

1 IN THE SENATE

BY KERTTULA

2 SENATE BILL NO. 49

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 waste of oil and gas."

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

8 \* Section 1. AS 31.05.170(14) is amended to read:

9 (14) "waste" [MEANS, IN ADDITION TO ITS ORDINARY MEANING,  
10 "PHYSICAL WASTE" AND] includes

11 (A) the inefficient, excessive, or improper use of, or  
12 unnecessary dissipation of, reservoir energy; and the locating,  
13 spacing, drilling, equipping, operating or producing of any oil  
14 or gas well in a manner that [WHICH] results or tends to result  
15 in reducing the quantity of oil or gas to be recovered from a  
16 pool in the [THIS] state under operations conducted in accordance  
17 with good oil field engineering practices;

18 (B) the inefficient above-ground storage of oil; and  
19 the locating, spacing, drilling, equipping, operating or produc-  
20 ing of an oil or gas well in a manner causing, or tending to  
21 cause, unnecessary or excessive surface loss or destruction of  
22 oil or gas;

23 (C) producing oil or gas in a manner causing unneces-  
24 sary water channeling or coning;

25 (D) the operation of an oil well with an inefficient  
26 gas-oil ratio;

27 (E) the drowning with water of a pool or part of a  
28 pool capable of producing oil or gas, except insofar as and to  
29 the extent authorized by the commission;

- 1 (F) underground waste;
- 2 (G) the creation of unnecessary fire hazards;
- 3 (H) the release, burning, or escape into the open air
- 4 of gas, from a well producing oil or gas, except to the extent
- 5 authorized by the commission;
- 6 (I) the use of gas for the manufacture of carbon
- 7 black, except as provided in this chapter;
- 8 (J) the drilling of wells unnecessary to carry out the
- 9 purpose or intent of this chapter;
- 10 (K) the production of oil or gas in excess of trans-
- 11 portation facilities, market facilities, or reasonable market
- 12 demand.