

Offered: 3/31/89  
Referred: Oil and Gas, Resources  
and Finance

6-0652T

Original sponsor: Finance Committee

1 IN THE HOUSE BY THE JUDICIARY COMMITTEE  
2 SENATE CS FOR CS FOR HOUSE BILL NO. 118 (Judiciary)  
3 IN THE LEGISLATURE OF THE STATE OF ALASKA  
4 SIXTEENTH LEGISLATURE - FIRST SESSION  
5 A BILL  
6 For an Act entitled: "An Act relating to the oil and gas properties pro-  
7 duction tax."  
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:  
9 \* Section 1. AS 43.55.013(b) is repealed and reenacted to read:  
10 (b) The economic limit factor for oil production of a lease or  
11 property shall be computed according to the following formula:  
12  $(1 - [PEL/TP]) \exp ([150,000/(TP/Days)] \exp [(460 \times WD)/PEL])$   
13 where: PEL = the monthly production rate at the economic limit;  
14 TP = the total production during the month for which the  
15 tax is to be paid;  
16 WD = the total number of well days in the month for which  
17 the tax is to be paid;  
18 Days = the number of days in the month for which the tax is  
19 to be paid; and  
20 exp = exponent.  
21 \* Sec. 2. AS 43.55.013(d) is repealed and reenacted to read:  
22 (d) The monthly production rate at the economic limit for a  
23 lease or property is 300 barrels times the number of well days for the  
24 lease or property during the month for which the tax is to be paid.  
25 \* Sec. 3. AS 43.55.013(e) and 43.55.013(f) are repealed.