

Offered: 4/27/89
Referred: Resources and Finance

6-0652U

Original sponsor: Finance Committee

1 IN THE HOUSE BY THE SENATE SPECIAL
COMMITTEE ON OIL AND GAS
2 SENATE CS FOR CS FOR HOUSE BILL NO. 118 (Oil & Gas)
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; and providing for an effective date."
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 AS 43.55.013(b) is repealed and reenacted to read: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. This Act takes effect July 1, 1989.