

**HOUSE CONCURRENT RESOLUTION NO. 19**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**EIGHTEENTH LEGISLATURE - FIRST SESSION**

**BY REPRESENTATIVES PHILLIPS, Barnes**

**Introduced: 4/15/93**

**Referred: House Special Committee on Oil and Gas**

**A RESOLUTION**

**1 Relating to the sale of state royalty gas.**

**2 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

**3 WHEREAS** the state owns land located on the North Slope that contains vast proven  
**4 reserves of oil and natural gas and that has the potential for discovery of additional reserves**  
**5 of oil and natural gas; and**

**6 WHEREAS** the legislature has the constitutional obligation to provide for the use,  
**7 development, and conservation of all natural resources belonging to the state for the maximum**  
**8 benefit of its people; and**

**9 WHEREAS** in furtherance of that obligation, the legislature has provided for the  
**10 issuance of oil and gas leases to develop the North Slope oil and gas reserves; and**

**11 WHEREAS** the state's oil and gas leasing statutes require that the state receive a  
**12 minimum royalty share of 12.5 percent of all oil and gas production from the leases; and**

**13 WHEREAS** all citizens of the state have received tremendous additional benefits from  
**14 the sale of oil produced from North Slope leases, including permanent fund payments,**  
**15 royalties, economic stimuli, substantial employment, and a tax base, which have benefited all**  
**16 people of the state; and**

**17 WHEREAS,** although the state would receive tremendous additional benefits from the

1 production and sale of North Slope gas, the North Slope lessees have neither sold nor entered  
2 into contracts to sell North Slope gas; and

3       **WHEREAS** under its North Slope leases, the state has a right to take its 12.5 percent  
4 royalty share in-kind and sell that share on its own behalf; and

5       **WHEREAS** by entering into long-term contracts with potential purchasers for the  
6 future sale of the state's royalty gas, the state would aid in the development of a gas  
7 transportation system and the production and sale of North Slope gas reserves, thereby  
8 benefiting all the people of the state; and

9       **WHEREAS** the export of North Slope gas to Pacific Rim countries would reduce our  
10 nation's trade deficit with those countries; and

11       **WHEREAS** the export of natural gas would aid the national economy by stimulating  
12 economic growth and employment, and contributing additional revenue to the federal  
13 government;

14       **BE IT RESOLVED** that the Alaska State Legislature supports and endorses the  
15 governor's efforts to sell worldwide, under long-term contracts, the majority of the gas to  
16 which the state is entitled as its royalty share from North Slope leases.