

**HB**

**300**

# ALASKA STATE LEGISLATURE



*Interim:*  
600 East Railroad Avenue  
Wasilla, Alaska 99654  
(907) 373-1842  
Fax (907) 373-4729

*Session:*  
State Capitol Building  
Juneau, Alaska 99801-1182  
(907) 465-2186  
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## REPRESENTATIVE VIC KOHRING DISTRICT 14

### Memorandum

March 24, 2006

To: Senator Gene Therriault  
Chair Senate State Affairs

From: Vic Kohring

Re: Hearing request for HB 300 

I respectfully request a hearing in Senate State Affairs for HB 300 "An Act relating to the qualifications of the member of the Alaska Oil and Gas Conservation Commission who need not be certified, trained, or experienced in either the field of petroleum engineering or the field of petroleum geology." as soon as possible.

Attached you will find the sponsor statement, a copy of the legislation and backup information.

If you have any questions, please do not hesitate to contact me, or my aide Charisse Millett ext. 4899.

Thank you for your consideration.

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REPRESENTATIVE VIC KOHRING  
DISTRICT 14

## House Bill 300 Sponsor Statement

House Bill 300 requires that the *public seat* on the three member Oil & Gas Conservation Commission be filled by one with demonstrated experience in the oil and gas industry.

Currently this requirement applies only to the two technical seats, the geologist and engineer. It's critical that all members of the Commission have a fundamental understanding of the industry they regulate, and this legislation helps accomplish that.

HB 300 requires the public member to possess training or experience in the field, demonstrating a clear, essential knowledge of the state's oil and gas operations.

# FISCAL NOTE

**STATE OF ALASKA**  
**2006 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: 24-LS0997A  
 () Publish Date: \_\_\_\_\_

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
 Title Qualifications of the third member of AOGCC RDU AK Oil & Gas Conservation Commission  
 Component AK Oil & Gas Conservation Commission  
 Sponsor Representative Kohring  
 Requester Representative Kohring Component No. 2010

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Personal Services	0.0	0.0	0.0	0.0	0.0	0.0
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2006) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2007 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation will not have a fiscal impact upon the Alaska Oil and Gas Conservation Commission (AOGCC).

Prepared by: Daniel T. Seamount, Jr., Commissioner  
 Division: Alaska Oil and Gas Conservation Commission  
 Approved by: Michael Tibbles, Deputy Commissioner  
 Agency: Administration

Phone 907-793-1221  
 Date/Time 1/23/06 2:30 PM  
 Date \_\_\_\_\_

# STATE OF ALASKA

FRANK H. MURKOWSKI, GOVERNOR

## ALASKA OIL AND GAS CONSERVATION COMMISSION

333 W. 7<sup>TH</sup> AVENUE, SUITE 100  
ANCHORAGE, ALASKA 99501-3539  
PHONE (907) 279-1433  
FAX (907) 278-7542

January 20, 2006

The Honorable Victor Kohring  
Chair, House Special Committee on Oil and Gas  
State Capitol  
Juneau, Alaska 99801

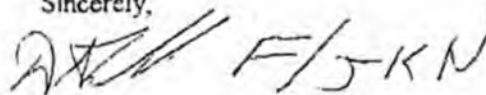
Re: House Bill No. 300

Dear Representative Kohring:

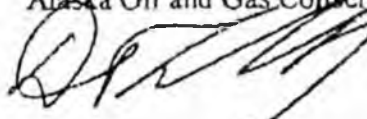
Thank you for this opportunity to comment on HB300. The Alaska Oil and Gas Conservation Commission ("Commission") supports this amendment regarding the qualifications of the third member of the Commission. This very simple revision will help protect the oil and gas interests of the people of Alaska by expressing a preference for applicants for any of the three Commission seats who demonstrate experience in oil and gas operations in the state. Currently this requirement applies only to the two technical seats, the geologist and the engineer. Because Alaska is moving into a time of extremely critical and diverse oil and gas activities, it is important that all members of the Commission have a fundamental understanding of the industry they regulate.

We would be please to respond to any questions you or other members of the committee you may have

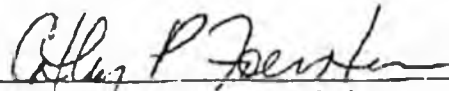
Sincerely,



John K. Norman, Chairman  
Alaska Oil and Gas Conservation Commission



Daniel T. Searnount, Jr., Commissioner  
Alaska Oil and Gas Conservation Commission



Cathy P. Foerster, Commissioner  
Alaska Oil and Gas Conservation Commission

**BACK GROUND INFORMATION**

# Alaska Oil & Gas Conservation Commission

## Commission History

The Alaska Oil and Gas Conservation Act (1955) created the Alaska Oil and Gas Conservation Commission (AOGCC or Commission). The Commission was composed of the Governor of the Territory of Alaska, the Territorial Commissioner of Mines, and the Territorial Highway Engineer. Rules and regulations governing Commission activities became effective on October 1, 1958.

Under the State Organization Act of 1959, the Oil and Gas Conservation Commission was abolished, its function and authority transferred to the Department of Natural Resources, Division of Mines and Minerals. A group within the department was designated to hold hearings and issue decisions on oil and gas matters. This group was the Alaska Oil and Gas Conservation Committee which consisted of the Director of the Division of Mines and Minerals (Chairman), the State Petroleum Geologist, the State Petroleum Engineer, and the Deputy Commissioner of the Department of Natural Resources.

In 1968 the Division of Oil and Gas was created within the Department on Natural Resources. The new division arose from the Petroleum Branch of the Division of Mines and Minerals. The Alaska Oil and Gas Committee was placed within the new division, and consisted of the Director, Chief Petroleum Geologist, and Chief Petroleum Engineer. In 1976 the word "conservation" was added to the division's title, and it became the Division of Oil and Gas Conservation.

With the advent of production from Prudhoe Bay in 1977, the Legislature became concerned with the potential conflict between the state's revenue interest in high production rates on state leases and the state's conservation interest in protecting total ultimate recovery. To obviate its concern, the Legislature amended AS 31.05 by Chapter 158, SLA 1978 to create a new Commission, effective January 1, 1979, as an independent quasi-judicial agency within the executive branch of the state. Initially, the new Commission was housed within the Department of Natural Resources, but in 1980 it was transferred to the Department of Commerce and Economic Development. More recently, Governor Hickel transferred the Commission to the Department of Administration on February 17, 1994.

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# Alaska Oil & Gas Conservation Commission

## AOGCC Mission

The mission of the Alaska Oil and Gas Conservation Commission (AOGCC) is to protect the public interest in exploration and development of oil and gas resources, ensuring conservation practices, and increasing ultimate recovery, while protecting health, safety, the environment, and property rights.

The Commission functions as the regulatory agency overseeing the underground operation of the Alaska oil industry on private and public lands and waters. Its responsibilities include regulating drilling and production of oil and gas to ensure that physical waste does not occur, protecting correlative rights of mineral interest owners, ensuring greater ultimate resource recovery and managing the Class II Underground Injection Control (UIC) program for oil and gas wells in Alaska as authorized by the U.S. Environmental Protection Agency on June 19, 1986.

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State of Alaska Oil and Gas Conservation Commission

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<input checked="" type="checkbox"/> State of Alaska Oil and Gas Conservation Commission
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**COMMISSIONERS - TERMS IN OFFICE**

<b>Petroleum Engineer</b>	<b>Geologist</b>	<b>Public Member</b>
<b>Hoyle H. Hamilton</b> Jan 1, 1979 to Dec 31, 1981	<b>Harry W. Kugler</b> Jan 1, 1979 to May 15, 1986	<b>Lonnie C. Smith</b> Jan 1, 1979 to Jul 1, 1992
<b>C. V. "Chat" Chatterton</b> Jan 18, 1982 to Aug 1, 1990	<b>William W. Barnwell</b> Jul 1, 1986 to Aug 11, 1988	<b>Leigh Griffin</b> Sep 9, 1992 to Feb 6, 1993
<b>Russell A. Douglass</b> Nov 26, 1990 to Nov 17, 1995	<b>David W. Johnston</b> Jan 19, 1989 to Jan 12, 2000	<b>Tuckerman Babcock</b> Jun 1, 1993 to Dec 31, 1996
<b>J. David Norton</b> Nov 20, 1995 to May 7, 1996	<b>Dan Seamount</b> Jan 13, 2000 to Present	<b>Mary Marshburn</b> Jan 1, 1997 to May 9, 1997
<b>Robert Christenson</b> May 9, 1997 to Jun 8, 2000		<b>Camille Oechsli Taylor</b> Sep 1, 1997 to Feb 18, 2003
<b>Julie Heusser</b> Nov 1, 2000 to Mar 15, 2002		<b>Sarah Palin</b> Feb 19, 2003 to Jan 23, 2004
<b>Mike Bill</b> Oct 1, 2002 to Feb 18, 2003		<b>John K. Norman</b> Jan 26, 2004 to Present
<b>Randy Ruedrich</b> Feb 19, 2003 to Nov 8, 2003		
<b>Cathy Foerster</b> March 30, 2005 to Present		

# Regulations

Oil and Gas Conservation Commission > Regulations: Updated 13 December 2005

The regulations reproduced below are intended to reflect the complete amended set of regulations for the AOGCC. Please note that there are differences between this version and the version published by Lexis Law Publishing. The AOGCC has attempted to accurately reproduce the regulations as adopted and filed by the Lt. Governor and to correct certain errors that appear in the published version. However, readers are advised that the AOGCC cannot guarantee the accuracy of the following version and that in the event of any unintentional discrepancies between the following version and the regulations originally filed by the Lt. Governor (copies of which are available from the AOGCC), the regulations are under the Lt. Governor's control.

## **Amended Regulations:** Updated 13 December 2005

- › Well branches, permit to drill applications, drilling program changes, and redrills.

## **Alaska Administrative Code**

### Title 20 - CHAPTER 25

#### Article

- › 1. Drilling (20 AAC 25.005 – 20 AAC 25.080)
- › 2. Abandonment and Plugging (20 AAC 25.105 – 20 AAC 25.172)
- › 3. Production Practices (20 AAC 25.200 – 20 AAC 25.290)
- › 4. Reports (20 AAC 25.300 – 20 AAC 25.320)
- › 5. Enhanced Recovery (20 AAC 25.400 – 20 AAC 25.460)
- › 6. General Provisions (20 AAC 25.505 – 20 AAC 25.630)
- › 7. Definitions (20 AAC 25.990)

#### Editor's Notes-

This chapter is based on the former regulations of the division of oil and gas conservation formerly located in 11 AAC 22.

# Alaska Oil & Gas Conservation Commission

## Title 31. OIL AND GAS

### Chapter 31.05. ALASKA OIL AND GAS CONSERVATION ACT

These statutes are also available at the Alaska State Legislative Site of Current Statutes.

#### Article

1. Administration (31.05.005 - 31.05.093)
2. Regulation of Operations (31.05.090 - 31.05.120)
3. General Provisions (31.05.150 - 31.05.170)

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#### Article 1. ADMINISTRATION

##### Section

05. Alaska Oil and Gas Conservation Commission created
07. Term of office; vacancy; removal
09. Qualification of members
10. (Repealed)
11. Quorum
13. Oath of Office
15. Compensation of members of the commission
17. Principal office; seal
20. (Renumbered as AS 31.05.095)
21. Legal counsel
23. Commission staff
25. Conflict of interest
26. Relationship to Department of Natural Resources
27. Land subject to commission's authority
30. Powers and duties of commission
35. Confidential reports
40. Regulations and orders
50. Notice
60. Action by commission
70. Attendance and testimony of witnesses
80. Rehearings and appeals
85. Expenses of investigation or hearing
93. Regulated well regulatory cost charge

#### Sec. 31.05.005. Alaska Oil and Gas Conservation Commission created.

(a) There is created as an independent quasi-judicial agency of the state the Alaska Oil and Gas Conservation Commission, composed of three commissioners appointed by the governor and confirmed by the legislature in joint session. In making appointments to the commission under AS 31.05.009 (1) and (2) and this subsection, the governor shall consider and give preference to a person who demonstrates experience in oil and gas operations in the state.

(b) The governor shall designate one member of the commission as chair of the commission. This member shall serve as chair for a term of four years, but may not be appointed for successive terms as chair of the commission.

#### Sec. 31.05.007. Term of office; vacancy; removal.

(a) The term of office of each member is six years. A commissioner, upon the expiration of a term, shall continue to hold office until a successor is appointed and qualified.

(b) A vacancy arising in the office of a commissioner shall be filled by appointment by the governor and confirmed by the legislature in joint session, and, except as provided in AS 39.05.080 (4), an appointee selected to fill a vacancy shall hold office for the balance of the full term for which the predecessor on the commission was appointed.

(c) A vacancy in the commission does not impair the authority of a quorum of commissioners to exercise all the powers and perform all the duties of the commission.

(d) The governor may remove a commissioner from office for cause including but not limited to incompetence, neglect of duty or misconduct in office. A commissioner, to be removed for cause, shall be given a copy of the charges and afforded an opportunity to be publicly heard in person or by counsel in the commissioner's own defense upon not less than 10 days' notice. If a commissioner is removed for cause, the governor shall file with the lieutenant governor a complete statement of all charges made against the commissioner and the governor's finding based on the charges, together with a complete record of the proceedings.

#### **Sec. 31.05.009. Qualifications of members.**

Members shall be qualified as follows:

(1) one member shall be a petroleum engineer who

(A) holds a certificate of registration as an engineer under AS 08.48 and, under regulations adopted to implement that chapter, has qualified as a petroleum engineer; or

(B) has earned a degree from a university in the field of engineering and has at least 10 years of professional subsurface experience in the oil and gas industry in drilling, well operations, production process operations, reservoir engineering, or a combination thereof, for the purposes of this subparagraph, a person meets the requirement of earning a degree in the field of engineering if the person obtains an undergraduate or graduate degree in engineering that meets the requirements for program accreditation by the Engineering Accreditation Commission of the Accreditation Board for Engineering and Technology and the person completes university or industry training specific to petroleum engineering that illustrates application of engineering principles to the problems encountered and methods used in the petroleum industry, including drilling, production, reservoir engineering, fluid flow through subsurface formations, and hydrocarbon transportation;

(2) one member shall be a geologist who

(A) holds a certification as a professional geologist under AS 08.02.011 and has professional experience in the field of petroleum geology; or

(B) has earned a degree in the field of geology from a university accredited in the field of geology and has a minimum of 10 years professional experience in the field of petroleum geology; and

(3) one member who need not be certified, trained, or experienced in either the field of petroleum engineering or the field of petroleum geology.

#### **Sec. 31.05.010. Application. [Repealed by Sec. 4 ch 158 SLA 1978].**

Repealed or Renumbered

#### **Sec. 31.05.011. Quorum.**

Two members of the commission constitute a quorum for the transaction of business, for the performance of a duty, or for the exercise of a power of the commission.

#### **Sec. 31.05.013. Oath of office.**

Each commissioner, before entering upon the duties of office, shall take and subscribe to the oath prescribed for principal officers of the state.

**Sec. 31.05.015. Compensation of members of the commission.**

Members of the commission are in the exempt service and shall receive an annual salary.

**Sec. 31.05.017. Principal office; seal.**

(a) The commission shall establish a principal office and branch offices necessary to discharge its business efficiently. For the convenience of the public or of parties to a proceeding the commission may hold meetings, hearings or other proceedings at other locations.

(b) The commission shall have an official seal.

**Sec. 31.05.020. [Renumbered as AS 31.05.095 ].**

Repealed or Renumbered

**Sec. 31.05.021. Legal counsel.**

(a) The Department of Law shall provide full-time legal counsel to the commission. The legal counsel provided by the Department of Law is subject to the approval of the commission.

(b) The commission may, subject to the approval of the attorney general, contract for the services of additional specialized legal counsel or legal consultants.

**Sec. 31.05.023. Commission staff.**

(a) The commission shall employ such staff as it considers necessary to carry out its responsibilities.

(b) The professional staff of the commission and the personal secretary of each commissioner are in the exempt service under AS 39.25.110.

(c) The secretarial and clerical staff of the commission, except the personal secretary of each commissioner, are in the classified service.

(d) In addition to its staff of regular employees, the commission may contract for and engage the services of consultants and experts the commission considers necessary.

**Sec. 31.05.025. Conflict of interest.**

(a) Members and employees of the commission, except clerical and secretarial staff, are subject to AS 39.50.

(b) A member of the commission is disqualified from voting upon any matter before the commission in which the member has a conflict of interest.

**Sec. 31.05.026. Relationship to Department of Natural Resources.**

(a) The Department of Natural Resources shall have standing before the commission to raise all issues relating to state-owned land without regard to the type of proprietary interest held by the state in that land.

(b) With respect to federal land from which the state or any subdivision of the state is entitled under federal law to receive a share of the federal royalty interest, the Department of Natural Resources shall have the same standing before the commission as if it were the holder of the equivalent royalty interest.

(c) When both the Department of Natural Resources and the commission have the authority to require, and do require, the submission of substantially the same information from persons subject to this chapter, the commission, in order to alleviate the administrative burdens placed on those persons, may by regulation enter into an agreement with the Department of Natural Resources whereby either the commission or the Department of Natural Resources shall have the responsibility to collect the information lawfully required by both.

(d) For budget and audit procedures and considerations, the commission shall have the same standing as any other major state agency. Whenever practicable the commission may enter into state interagency agreements concerning administrative, employee relations, and fiscal duties. (e) The Department of Natural Resources shall have the same standing (no more or less) before the commission as granted by law to any other proprietary interest.

**Sec. 31.05.027. Land subject to commission's authority.**

The authority of the commission applies to all land in the state lawfully subject to its police powers, including land of the United States and land subject to the jurisdiction of the United States. The authority of the commission further applies to all land included in a voluntary cooperative or unit plan of development or operation entered into in accordance with AS 38.05.180 (p).

**Sec. 31.05.030. Powers and duties of commission.**

(a) The commission has jurisdiction and authority over all persons and property, public and private, necessary to carry out the purposes and intent of this chapter.

(b) The commission shall investigate to determine whether or not waste exists or is imminent, or whether or not other facts exist which justify or require action by it.

(c) The commission shall adopt regulations and orders and take other appropriate action to carry out the purposes of this chapter.

(d) The commission may require

(1) identification of ownership of wells, producing leases, tanks, plants and drilling structures;

(2) the making and filing of reports, well logs, drilling logs, electric logs, lithologic logs, directional surveys, and all other subsurface information on a well drilled for oil or gas, or for the discovery of oil or gas, or for geologic information, and the required reports and information shall be filed within 30 days after the completion, abandonment, or suspension of the well;

(3) the drilling, casing and plugging of wells in a manner that will prevent the escape of oil or gas out of one stratum into another, the intrusion of water into an oil or gas stratum, the pollution of fresh water supplies by oil, gas or salt water, and prevent blowouts, cavings, seepages and fires;

(4) the furnishing of a reasonable bond with sufficient surety conditions for the performance of the duty to plug each dry or abandoned well or the repair of wells causing waste.

(5) the operation of wells with efficient gas-oil and water-oil ratios, and may fix these ratios;

(6) the gauging or other measuring of oil and gas to determine the quality and quantity of oil and gas.

(7) every person who produces oil or gas in the state to keep and maintain for a period of five years in the state complete and accurate records of the quantities of oil and gas produced, which shall be available for examination by the Department of Natural Resources or its agents at all reasonable times;

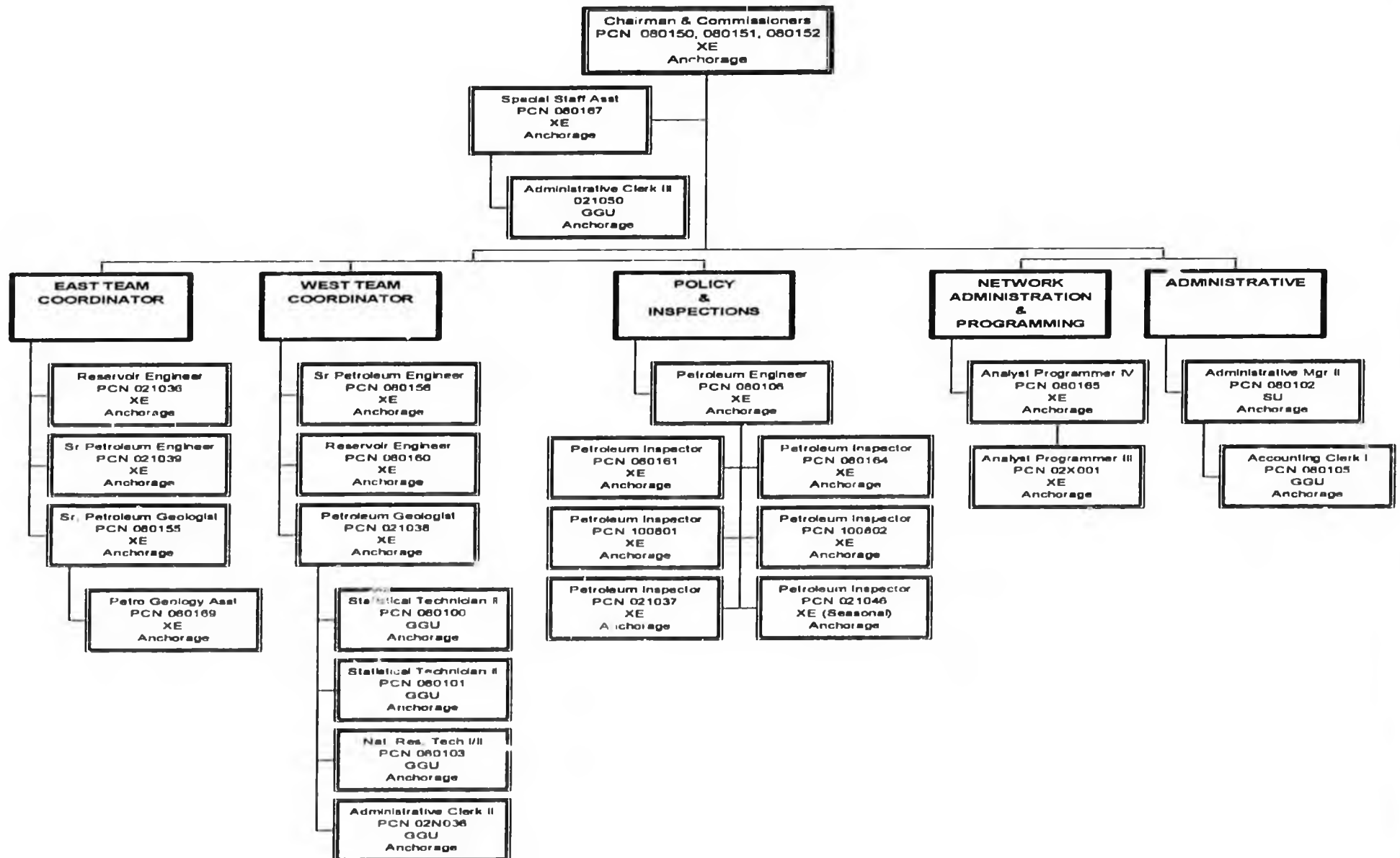
(8) the measuring and monitoring of oil and gas pool pressures;

# Where Does AOGCC Fit In?

<b>Issues</b>	<b>Oil Company (Regulated Community)</b>	<b>Land Owner (e.g. DNR DOG or Native Corporation)</b>	<b>ADEC (Exercises Police Powers of the State)</b>	<b>AOCCC (Exercises Police Powers of the State)</b>
Ownership of Resource	Lessee of Oil & Gas Lease (Has Right to Drill and Produce)	Landlord & Lessor of Oil & Gas Lease	Role Is Regulatory, Not Proprietary- Mainly Surface & Air	Role Is Regulatory, Not Proprietary- Mainly Sub-surface
Jurisdiction	Only on Lands Where They Have Right to Drill and Produce	Owner's Land Only	State, Federal and Private Lands	State, Federal and Private Lands
Economics	Profit Oriented	Manages Owned Resources for Revenue & Other Values	Regulates to Protect environment	Regulates to Prevent Waste, Protect Correlative Rights, & Promote Greater Recovery
Net \$\$ Interest	Owns Majority of Production	Owns Minority of Production (Royalty Interest)	None- Regulates Only	None- Regulates Only

AOGCC generally regulates sub-surface activities.  
ADEC and other agencies have regulatory authority over most surface activities.

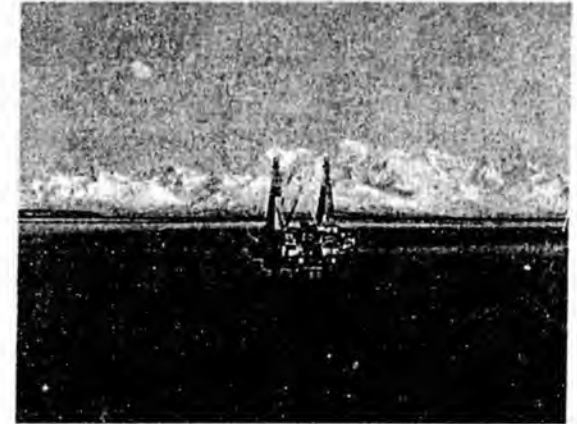
# AOGCC Staffing



# AOGCC 2005 Highlights

- Key accomplishments

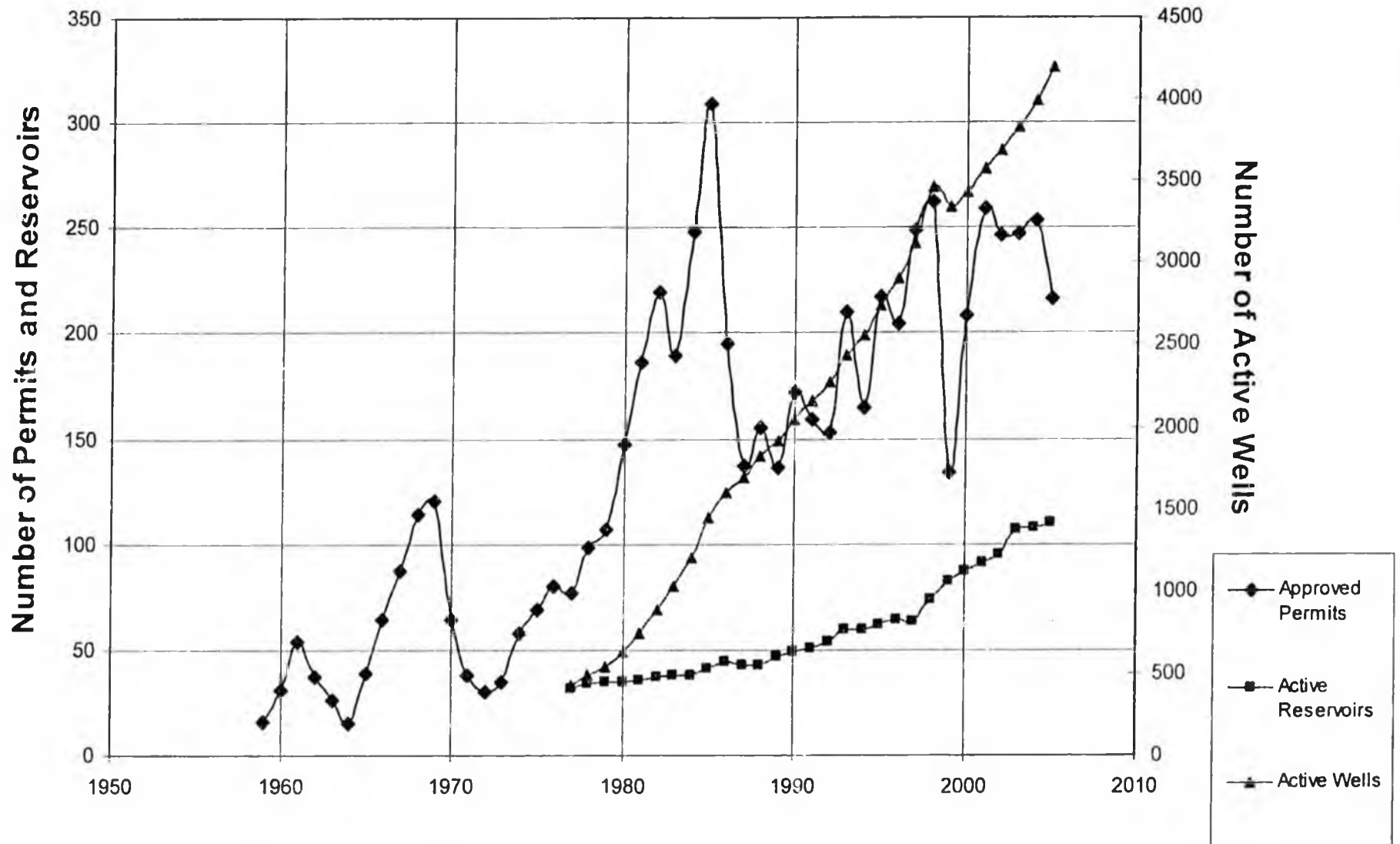
- 88 orders and approvals
- 216 drilling permits approved
- 388 sundry applications approved
- 5 enforcement actions



- Highlights of rulings and findings

- 8 orders establishing / modifying pool rules
- 7 orders approving / extending pilot projects
- 8 orders approving / modifying enhanced oil recovery
- 2 orders approving underground storage of hydrocarbons
- 9 orders approving / modifying / denying disposal injection operations
- 4 orders reducing paperwork for routine operations

# Alaska Oil & Gas Activity



# Key Challenges and Projects

- Determine the impacts of major gas sales upon ultimate hydrocarbon recovery from Prudhoe and Pt. Thomson reservoirs before gas sales off-take rates can be approved. – **Mitigation of oil losses**
- Facilitate expanded statewide exploration and development, including NPR-A and exploration licensing areas that are outside the North Slope and Cook Inlet. – **Increased production**
- Evaluate and respond to the need for a revised regulatory scheme to safely oversee new development of nonconventional, shallow and gas storage resources. – **Responsible development**
- Finalize AOGCC's Internet-based Well and Production Information System available to anyone in the world. – **Help increase investment in Alaska**

## Key Challenges and Projects (continued)

- Maintain an active role to protect Alaska's UIC program. Take over responsibility for Class I injection wells from EPA.
  - **Faster permit decisions**
  
- Respond to changing conditions in mature oil fields to make certain operations are conducted in a safe and skillful manner while ensuring that recovery of oil and gas resources is maximized. – **Safer operations and less resource waste**
  
- Conduct comprehensive review of natural gas production in Alaska and of all gas which is being flared, vented or otherwise not put to beneficial use. – **Less resource waste**
  
- Continue to evaluate ways to increase the AOGCC's efficiency.
  - **Reduce costs**

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 State of Alaska Oil and Gas Conservation Commission
 

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### COMMISSIONERS - TERMS IN OFFICE

Petroleum Engineer	Geologist	Public Member
Hoyle H. Hamilton	Harry W. Kugler	Lonnie C. Smith
Jan 1, 1979 to Dec 31, 1981	Jan 1, 1979 to May 15, 1986	Jan 1, 1979 to Jul 1, 1992
C. V. "Chat" Chatterton	William W. Barnwell	Leigh Griffin
Jan 18, 1982 to Aug 1, 1990	Jul 1, 1986 to Aug 11, 1988	Sep 9, 1992 to Feb 6, 1993
Russell A. Douglass	David W. Johnston	Tuckerman Babcock
Nov 26, 1990 to Nov 17, 1995	Jan 19, 1989 to Jan 12, 2000	Jun 1, 1993 to Dec 31, 1996
J. David Norton	Dan Seamount	Mary Marshburn
Nov 20, 1995 to May 7, 1996	Jan 13, 2000 to Present	Jan 1, 1997 to May 9, 1997
Robert Christenson		Camille Oechsli Taylor
May 9, 1997 to Jun 8, 2000		Sep 1, 1997 to Feb 18, 2003
Julie Heusser		Sarah Palin
Nov 1, 2000 to Mar 15, 2002		Feb 19, 2003 to Jan 23, 2004
Mike Bill		John K. Norman
Oct 1, 2002 to Feb 18, 2003		Jan 26, 2004 to Present
Randy Ruedrich		
Feb 19, 2003 to Nov 8, 2003		
Cathy Foerster		
March 30, 2005 to Present		

# Alaska Oil & Gas Conservation Commission

## Commission History

The Alaska Oil and Gas Conservation Act (1955) created the Alaska Oil and Gas Conservation Commission (AOGCC or Commission). The Commission was composed of the Governor of the Territory of Alaska, the Territorial Commissioner of Mines, and the Territorial Highway Engineer. Rules and regulations governing Commission activities became effective on October 1, 1958.

Under the State Organization Act of 1959, the Oil and Gas Conservation Commission was abolished, its function and authority transferred to the Department of Natural Resources, Division of Mines and Minerals. A group within the department was designated to hold hearings and issue decisions on oil and gas matters. This group was the Alaska Oil and Gas Conservation Committee which consisted of the Director of the Division of Mines and Minerals (Chairman), the State Petroleum Geologist, the State Petroleum Engineer, and the Deputy Commissioner of the Department of Natural Resources.

In 1968 the Division of Oil and Gas was created within the Department on Natural Resources. The new division arose from the Petroleum Branch of the Division of Mines and Minerals. The Alaska Oil and Gas Committee was placed within the new division, and consisted of the Director, Chief Petroleum Geologist, and Chief Petroleum Engineer. In 1976 the word "conservation" was added to the division's title, and it became the Division of Oil and Gas Conservation.

With the advent of production from Prudhoe Bay in 1977, the Legislature became concerned with the potential conflict between the state's revenue interest in high production rates on state leases and the state's conservation interest in protecting total ultimate recovery. To obviate its concern, the Legislature amended AS 31.05 by Chapter 158, SLA 1978 to create a new Commission, effective January 1, 1979, as an independent quasi-judicial agency within the executive branch of the state. Initially, the new Commission was housed within the Department of Natural Resources, but in 1980 it was transferred to the Department of Commerce and Economic Development. More recently, Governor Hickel transferred the Commission to the Department of Administration on February 17, 1994.

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