

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

4909 HRES HB 26 - HB 41

88

HB

26

# HOUSE COMMITTEE REPORT

(7)

Date referred: 1/19/87

FURTHER REFERRALS: Resources

DATE: JAN. 27, 1987

The Labor & Commerce Committee has considered HB 26

"An Act relating to the sale of certain milk products."

**RECOMMENDS:**

- replace with CS HB 26 (L+C)  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(s):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

Dave Duley  
Gregg Robinson  
Ellis  
Cliff Davidson  
John L. Bunker  
Mike Rogers

**SIGNING OTHER RECOMMENDATIONS:**

[Signature]  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Dave Duley  
 Chairman's signature

**STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE**

**REQUEST:** \_\_\_\_\_

Bill Version: C5HB 26 (L&C)  
Publish Date: \_\_\_\_\_

Revision Date: 1/29/87

Title: An Act Relating to the sale  
of certain milk products

Agency Affected: DEC  
BRU: Environmental Health

Sponsor: Terry Martin

Requester: \_\_\_\_\_

Component: Environmental Sanitation  
Palmer Lab., Dairy Industry

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	F-Y 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

**FUNDING: (Thousands of Dollars)**

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

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

This Bill as revised will have no fiscal impact on the Department of Environmental Conservation

Prepared by: Doug Donegan Phone: 465-2696  
Division: Environmental Health Date: 1/28/87

Approved by Commissioner: *Ann D. Kelly* Date: 1/29/87  
Agency: Environmental Conservation

- Distribution (by preparer):
- Legislative Finance
  - Legislative Sponsor
  - Requester
  - Office of Management and Budget
  - Impacted Agency(ies)
  - Senate Secretary

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: Labor & Commerce  
Publish Date: 1/19/87

Revision Date: \_\_\_\_\_  
Title: An Act Relating to the sale  
of certain milk products

Agency Affected: DEC  
BRU: Environmental Health

Sponsor: Terry Martin  
Requestor: John Manley for Terry Martin

Components: Environmental Sanitation  
Palmer Lab., Dairy Industry

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	4.0	4.0	4.0	4.0	4.0
SUPPLIES	0	3.0	3.0	3.0	3.0	3.0
EQUIPMENT	0	2.5	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		9.5	7.0	7.0	7.0	7.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND		9.5	7.0	7.0	7.0	7.0
FEDERAL FUNDS						
OTHER						
TOTAL		9.5	7.0	7.0	7.0	7.0

POSITIONS:

FULL-TIME						-
PART-TIME						-
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Contractual monies will purchase six sample shipments/week to Palmer Laboratory, Supplies will purchase laboratory glassware, media and sample shipping containers and gel ice; Equipment will be a one-time purchase of laboratory refrigerator with external temperature recording device.

Prepared by: Doug Donegan  
Division: Environmental Health

Phone: 465-2696  
Date: 1/26/87

Approved by Commissioner: \_\_\_\_\_  
Agency: Department of Environmental Conservation

Date: 1/26/87

Distribution (by preparer):

Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

Telephone: (907) 465-2696

Address:

January 26, 1987  
Contact: Douglas Donegan

### POSITION PAPER HB 26

#### Title:

An Act relating to the sale of certain milk products

#### Effect of the Bill

This bill requires that all milk products sold in Alaska contain a date of "processing" and a date upon which the product becomes "unfit for human consumption."

#### Department Position

The Department supports the intent of HB 26. The labeling requirements will provide consumers with pertinent information necessary to make informed decisions regarding the relative freshness and shelf-life of their milk product purchases.

If the bill becomes law, DEC would analyze approximately 6 samples per week to confirm by laboratory analysis the accuracy of the "use-before" date. DEC would monitor the accuracy of "processing" date of in-state processors at milk processing facilities. Accuracy of "processing" date for milk products produced outside of Alaska will be confirmed by monitoring shipment dates of incoming milk products and date of "processing" on the containers.

#### Suggested Revisions

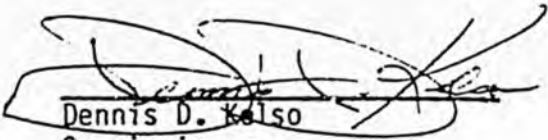
While DEC supports the overall approach, some modification is needed to make it workable. The term "date of processing" needs to be defined. The Department recommends that date of processing be defined as "the earliest date upon which the milk product has been heat treated in any manner such as pasteurization." This definition is suggested because there are several steps in the production of milk products which could be considered "processing" and this definition will eliminate potential ambiguities.

The term "unfit for human consumption" also needs a definition. The Department suggests that this term be defined as "when the milk product exhibits organoleptic or microbiological evidence of spoilage rendering it unacceptable for human consumption as determined by the Department's Environmental Health laboratory."

The definition of "milk product" should also exclude all "cultured" milk products including sour cream and yogurt.

### Fiscal Effect

The Department would monitor milk products to determine compliance with the labeling requirements. This would include evaluating the accuracy of the "unfit for human consumption" date. During routine inspections grocery and dairy inspections, DEC sanitarians would collect milk samples and send them to the Division's environmental health laboratory for analysis. The sample collection and analyses could be performed with existing staff. Consequently, the only additional monies necessary would be for sample containers, sample shipment, gel ice, laboratory supplies and equipment including glassware and media, and a refrigerator with a temperature recording device. The Department anticipates that increased costs would be \$9,500 the first year and \$7,000 per year thereafter.



Dennis D. Kalso  
Commissioner

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPT. OF ENVIRONMENTAL CONSERVATION

Telephone: (907) 465-2696  
Address:

POSITION PAPER  
CSHB 26 (L&C)

January 29, 1987

Contact: Douglas Donegan

### Title

An Act relating to the sale of certain milk products

### Effect of the Bill

This bill requires that all milk products sold in Alaska contain a date of "processing."

### Department Position

The Department supports the intent of CSHB 26. The labeling requirement would provide consumers with pertinent information necessary to make informed decisions regarding the relative freshness of their milk product purchases.

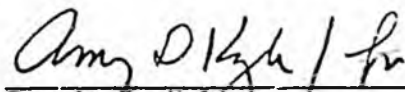
If the bill becomes law, DEC would monitor the accuracy of "processing" date of in-state processors during the course of inspections of milk processing facilities. Accuracy of "processing" date for milk products produced outside of Alaska will be confirmed by monitoring shipment dates of incoming milk products and date of "processing" on the containers.

### Suggested Revisions

None

### Fiscal Effect

Since the monitoring necessary to confirm the accuracy of the processing date could be accomplished using existing staff, there will be no fiscal impact to the Department from this bill.



Dennis D. Kelso  
Commissioner

5-0237B  
Bannister  
1/27/87

Original sponsors: Martin, Larson  
and Menard

1 IN THE HOUSE

BY THE LABOR AND  
COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 26 (L&C)

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 sale of certain milk prod-  
7 ucts."

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

9 \* Section 1. AS 17.05 is amended by adding a new section to read:

10 Sec. 17.05.060. DATE-LABELING OF MILK PRODUCTS. (a) A person  
11 may not sell or offer to sell a milk product unless the product con-  
12 tainer is conspicuously and legibly marked with the month and the day  
13 of the month when the product was processed, and the date is preceded  
14 by the words "processed on".

15 (b) This section does not apply to milk products that are  
16 packaged in a hermetically sealed container, dried, or frozen.

17 (c) The commissioner of environmental conservation shall enforce  
18 this section.

19 (d) In this section

20 (1) "date of processing" means the earliest date when the  
21 milk product was heat-treated in any manner, including pasteurization;

22 (2) "hermetically sealed container" means a container that  
23 prevents the entry of microorganisms in order to maintain the commer-  
24 cial sterility of the contents after processing;

25 (3) "milk product" does not include cultured milk products  
26 and cheese, except cottage cheese; in this paragraph, "cultured milk  
27 products" includes sour cream and yogurt.  
28  
29

# REP. TERRY MARTIN

ELECTIVE DISTRICT 13  
MOUNTAIN VIEW  
RUSSIAN JACK SPRINGS  
NUNAKA VALLEY  
ELMENDORF A.F.B.  
CREEKSIDE  
EAST ANCHORAGE



HOME  
3960 REKA DRIVE-B6  
ANCHORAGE, AK 99508  
PHONE 333 6990

DURING SESSION  
POUCH V  
STATE CAPITOL BUILDING  
JUNEAU, AK 99811  
PHONE 465-3783

## Alaska House of Representatives

### M E M O R A N D U M

To: Rep. Dave Donley, Chair  
House Labor & Commerce Committee

From: Rep. Terry Martin *TM*  
*by Jim Healy*

Date: January 23, 1987

RE: HB 26 - Sale of certain milk products

---

Thank you for your expeditious scheduling of the above-referenced house bill.

Attached is a short sponsor's statement that explains the purpose and background of the bill. We have asked for a fiscal note from Kit Ballentine in the department of environmental conservation, and will forward a copy to you as soon as we have it. Aside from the sponsor's statement and fiscal note, there really isn't any other background materials for the bill - it is a straightforward answer to a simple consumer problem. I would encourage the members of the Labor and Commerce committee to pass HB 26 on to the Resources committee as soon as possible.



SPONSOR'S STATEMENT

HB 26

"An Act relating to the sale of certain milk products."

---

This consumer protection bill has only one section, which would add new language to AS 17.05 (Standards of Sale for Food and Drink, in the Food and Drug Title) which would make it illegal to sell milk and cottage cheese unless its container is clearly marked showing the date the product was processed, as well as the date on which it can be expected to be no good.

This requirement would not apply to canned milk, cheeses, ice cream or dehydrated milk. The requirement would be enforced by DEC.

This bill came about simply because, as milk products are now marketed, cartons display only the date on which the grocer should remove the container from the dairy case. This can be ambiguous to the buyer, particularly when producers advertise that the product is good for some time after the date stamped.

The change proposed by HB 26 would give the consumer the information necessary to make a more informed purchase, by showing exactly what day the product was put into the container. Knowing as much as possible about the product's freshness at the time a purchase is considered, and being able to estimate how long it will stay fresh, should alleviate complaints among consumers.

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

STEVE COWPER, GOVERNOR

400 WILLOUGHBY AVE.  
JUNEAU, ALASKA 99801  
PHONE: (907) 465-2400

February 17, 1987

The Honorable Adelheid Herrmann, Co-Chair  
The Honorable Sam Cotten, Co-Chair  
House Resources Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representatives Herrmann and Cotten:

Subject: The Committee Substitute (Labor and Commerce) for House Bill 26, relating to the sale of milk products.

Position: The Department of Natural Resources supports this bill which would require the date of processing to be displayed on milk products sold in Alaska.

Background: Since 1985, the State of Alaska has owned and operated the Matanuska-Maid Dairy. This bill would require the dairy to display on containers the date that milk and milk products are processed. Currently, the "pull-date" is the only date displayed on milk products sold in the state. This is the date identified by the processor as the last date the milk should be offered for sale.

Consumers would benefit from this bill because it would provide an additional guideline for consumers to use when selecting milk or milk products.

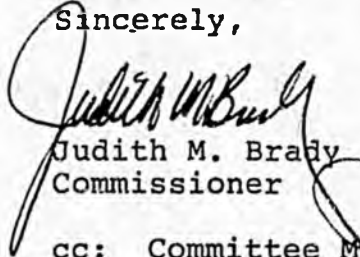
Some consumers prefer buying milk that will last for a long period of time after it is purchased. The "pull-date" is the guideline that is probably most important to this type of consumer.

Other consumers use milk products quickly and are more interested in the freshness of the product than in the length of time it will keep. Displaying the milk product's processing date on the container will assist this type of consumer in selecting the freshest product.

February 17, 1987

Please let me know if you would like additional information about this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Judith M. Brady". The signature is written in dark ink and is positioned to the left of the typed name.

Judith M. Brady  
Commissioner

cc: Committee Members  
Sponsor  
Governor's Legislative Liaison

HB

29

January 29, 1987

MEMORANDUM

TO: John Sund

From: Howard Wayne

RE: Fish Enhancement Tax Receipts in Governor's Budget

.....  
Mel Hondelaro, Department of Revenue, supplied the actual level of Fish Enhancement Tax Receipts for the past five fiscal years.

FY82 2,424,999

FY83 2,553,832

FY84 2,241,300

FY85 2,625,313

FY86 4,263,086 (Prince William Sound accounted for \$960,000)

FY87 AUTH 4435.3

FY87 REV 4435.3

FY88 GOV 3284.0 -1151.3 -26.5%

JOHN SUND, REPRESENTATIVE  
2505 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552

While in Juneau  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919

January 29, 1987

MEMORANDUM

TO: Honorable Adelheid Herrmann  
Honorable Sam Cotten

FROM: Representative John Sund

RE: HB29 "An Act making a supplemental appropriation to the Department of Commerce and Economic Development for distribution to qualified regional aquaculture associations; and providing for an effective date."

.....

I would appreciate it if you would schedule HB29 at your earliest convenience.

In FY 87, for the first time, money was taken from Salmon Enhancement Tax Receipts to fund operations of the Department of Commerce and Economic Development. In the past, 100% of the tax receipts were allocated to the Non-profit salmon hatcheries, this year 7% was siphoned off to make up DCED's budget. The amount was \$239,000 which bore no relation to the costs of operating the state distribution program.

The Department of Commerce has one staff assigned to the Salmon Enhancement Tax Receipts program (the funds are collected by the Department of Revenue and only distributed by Commerce to the Regional Aquaculture Associations).

I would like your support for adding back into the FY 88 operating budget the amount diverted from the Tax Receipts. I think that taking these funds out as a general tax is setting an unfortunate precedent. This was never expressed as a possibility at the time that the fishermen voted the tax on themselves.



Alaska  
Trollers  
Association

130 Seward St., No. 213  
Juneau, Alaska 99801  
(907) 586-9400

Alaska Trollers Association Testimony on House Bill 29  
1/29/87

The Alaska Trollers Association wishes to strongly support House Bill #29. This Bill rectifies a bookkeeping error by the Office of Budget & Management, which occurred during the budget-cutting scramble last session; \$239,000 of fisherman-supported enhancement tax was lost when across the board cuts were made in the Department which administers these funds. House Bill #29 replaces these funds.

Under Title 43, Chapter 76, Section 43.76.010, salmon enhancement taxes on the sale of salmon is collected by the Department of Revenue, but only in areas where regional aquaculture associations have been formed by local fishermen, and where those fishermen have approved a tax. The funds are subsequently appropriated by the Legislature to the Department of Commerce and Economic Development, which then distributes these tax funds to the proper regional association.

Understanding that there are no dedicated funds within the State system, fishermen took this commitment to pay an assessment (3% in Southeast) with a political promise from the State and the Legislature that their tax monies would, in fact, be appropriated to support regional aquaculture. Any overhead costs used to subsidize other government functions, and thus reduce the full amount of expected revenue to the regional associations, can only be viewed as a breach of that promise. Such losses will effect the cash flow of the aquaculture associations since they anticipate these funds to drive their programs, and, in part, are used to pay back State loans on capital investment.

Fishermen would certainly understand budget deficits since they are businessmen themselves; what they would not understand is that if after voting themselves a tax, whose proceeds were promised as support for aquaculture, the funds were directed elsewhere.

The entire fishing industry respectfully requests your support on mitigating this error.

JOHN SUND, REPRESENTATIVE

2505 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552

---

While in Juneau  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919

May 23, 1986

The Honorable Bill Sheffield  
Pouch A  
Juneau, Alaska 99811

Dear Governor Sheffield:

A dangerous precedent has been set in this year's budget with the \$239,000 that has been skimmed from the fisheries enhancement tax receipts.

That money was removed in OMB's revised version of your budget. The House restored the 7.5% cut, only to have it removed once again in conference committee, when the Senate followed your lead and cut an identical 7.5% from the fishermen's tax receipts.

At the time the original cut was made in your budget, the action was justified as the cost of administrative overhead. When the fisheries enhancement tax was voluntarily established by the fishermen, the courts said that receipts must be channeled through a government agency. However, the agreement in 1979 was that 100% of those receipts would be reimbursed to the aquaculture associations; no "administrative overhead" and no skimming!

As I mentioned, I am very disturbed by the precedent that we are setting here. If I could alter the action of this Legislature I would do so. Lacking that ability, I ask for your strongest assurances that this will never happen again.

Sincerely,

John Sund  
Representative

cc: Dave Massey, C&ED  
Don Amend, SSRAA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

	<u>FY 86 AUTHORIZED</u>	<u>FY 87 GOVERNOR</u>	<u>FY 87 REVISED</u>	<u>FY 87 % CHANGE</u>
General Fund	\$54,262.8	\$50,496.9	\$47,667.3	(5.6)
Total Funds	\$71,943.0	\$69,566.9	\$64,986.9	(6.6)
PFT	447	446	413	(7.4)
PPT	16	16	21	

<u>PROGRAM</u>	<u>IMPACT</u>	<u>GF REDUCTION</u>
Tourism	Eliminate Media Exposure Recovery Increment.	(964.5)
Small Business Development	Eliminate Business Assistance Center Contracts. To be replaced with 50% Federal/ 50% State CIP funded SBA program utilizing the university system.	(350.0)
ASMI	General Fund reduction which could be offset by an increase in the Seafood Marketing Assessment.	(493.0)
Fisheries Enhancement Tax Receipts	Pass on to PNP aquaculture associations less than assessments collected. Reduction of 7.5% justified as the cost of state administrative overhead.	(239.0)
APUC	Delete 4 PFT positions including the Deputy Executive Director.	(214.4)
Economic Development Advocates	Consolidate the Office of Forest Products and the Office of Minerals Development. Consolidate the Office of Small Business Development and the Office of International Trade. Delete two Office Directors.	(177.1)
Alaska Power Authority	Eliminate 4 PFT general fund positions. Eliminate an additional 16 PFT positions supported by other funding sources. Convert 5 PFT positions to part-time.	(237.9)

X X X X X DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT X X X X X

BUDGET COMPONENT	86 AUTH	GOVERNOR	OMB REV	EXPLANATION OF CHANGES (EXCEPT GENERAL REDUC
74	362.3	370.7	<del>3700.2</del>	Delete program (3700.2)
76	792.8	790.5	756.1	
78	187.8	211.0	<del>187.8</del>	Reduce to '86 Auth (57.7)
80	445.5	438.2	<del>445.5</del>	Reduce to '86 Auth (20.4)
82	24.8	6.7	6.7	
84	1.4			
XXX PROGRAM TOTAL XXX	3270.5	3195.6	5969.3	
<b>INVESTMENTS</b>				
86	1390.6	1360.4	1360.4	
88	2.7	1.9	1.9	
XXX PROGRAM TOTAL XXX	1393.3	1362.3	1362.3	
<b>ACCOUNTING AND COLLECTIONS</b>				
90	1466.5	1716.8	1691.2	
92	159.2	90.7	151.2	
XXX PROGRAM TOTAL XXX	1625.7	1807.5	1842.4	
96 ?	3186.6	3186.6	2947.67	add to the cost Skimming (239)
100	7251.8	8127.4	7162.9	
102	3.6			
XXX PROGRAM TOTAL XXX	7255.4	8127.4	7162.9	
<b>AIDA</b>				
106	1624.5	1734.7	1714.4	
108	114.9			
XXX PROGRAM TOTAL XXX	1739.4	1734.7	1714.4	
AK SEAFOOD MARKETING INSTITUTE			3000.0	Add 3000.0

**JOHN SUND, REPRESENTATIVE**  
2505 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552

*While in Juneau*  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919

January 21, 1987

MEMORANDUM

TO: Honorable Dave Donley

FROM: Representative John Sund

RE: HB29 "An Act making a supplemental appropriation to the Department of Commerce and Economic Development for distribution to qualified regional aquaculture associations; and providing for an effective date."

.....

I would appreciate it if you would schedule HB29 at your earliest convenience.

In FY 87, for the first time, money was taken from Salmon Enhancement Tax Receipts to fund operations of the Department of Commerce and Economic Development. In the past, 100% of the tax receipts were allocated to the Non-profit salmon hatcheries, this year 7% was siphoned off to make up DCED's budget. The amount was \$239,000 which bore no relation to the costs of operating the state distribution program.

The Department of Commerce has one staff assigned to the Salmon Enhancement Tax Receipts program (the funds are collected by the Department of Revenue and only distributed by Commerce to the Regional Aquaculture Associations).

I would like your support for adding back into the FY 88 operating budget the amount diverted from the Tax Receipts. I think that taking these funds out as a general tax is setting an unfortunate precedent. This was never expressed as a possibility at the time that the fishermen voted the tax on themselves.

JOHN SUND, REPRESENTATIVE  
2504 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552

---

While in Juneau  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919

January 26, 1987

MEMORANDUM

TO: House Labor & Commerce Committee

FROM: Representative John Sund *JS*

RE: HB29 "An Act making a supplemental appropriation to the Department of Commerce and Economic Development for distribution to qualified regional aquaculture associations; and providing for an effective date."

.....

In FY 87, for the first time, money was taken from Salmon Enhancement Tax Receipts to fund operations of the Department of Commerce and Economic Development. In the past, 100% of the tax receipts were allocated to the Non-profit salmon hatcheries, this year 7% was siphoned off to make up DCED's budget. The amount was \$239,000 which bore no relation to the costs of operating the state distribution program.

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**JOHN SUND, REPRESENTATIVE**

*2505 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552*

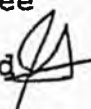
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*While in Juneau  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919*

January 29, 1987

MEMORANDUM

TO: House Resources Committee

FROM: Representative John Sund 

RE: HB29 "An Act making a supplemental appropriation to the Department of Commerce and Economic Development for distribution to qualified regional aquaculture associations; and providing for an effective date."

.....

In FY 87, for the first time, money was taken from Salmon Enhancement Tax Receipts to fund operations of the Department of Commerce and Economic Development. In the past, 100% of the tax receipts were allocated to the Non-profit salmon hatcheries, this year 7% was siphoned off to make up DCED's budget. The amount was \$239,000 which bore no relation to the costs of operating the state distribution program.

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BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

June 6, 1986

The Honorable John Sund  
2505 Second Avenue  
Ketchikan, AK 99901

Dear John,

Enclosed is a letter I just sent to Don Amend regarding the fisheries enhancement tax receipts.

As you know, John, this reduction was supposed to have been corrected in Conference Committee. You are all too aware of the utter chaos in those last few days.

I have no intention now or in the future of "skimming" from those funds.

Sincerely,

A handwritten signature in cursive script, appearing to read "Bill".

Bill Sheffield  
Governor

cc: Don Amend

**SOUTHERN SOUTHEAST REGIONAL  
AQUACULTURE ASSOCIATION, INC.**

1649 Tongass Avenue

(907)225-9605

Ketchikan, Alaska 99901

Mr. William Sheffield, Governor  
P.O. Box A  
Juneau, AK 99811

May 22, 1986

Dear Governor Sheffield:

There has been a breach of commitment and the breaking of a promise to the fishermen of Alaska during the last legislative session. Under Title 43, Chapter 76, section 43.76.010, the fishermen of Southeast Alaska in 1980 voted upon themselves a 3% enhancement tax to support qualified Regional Aquaculture Associations. The fishermen who are members of the Southern Southeast Regional Aquaculture Association have paid their taxes based on the promise and commitment made to them in 1980 by the State of Alaska that their taxes would be used to support the Regional Aquaculture Association for salmon enhancement. This promise has been kept each year until now.

The budget submitted to you after the recently concluded legislative session withheld \$239,000 of the 3% enhancement tax paid by fishermen. This will drastically reduce the funds needed to conduct the enhancement efforts by the Regional Aquaculture Associations. I was told by our legislative Representatives that the House fought futilely to reinstate those funds.

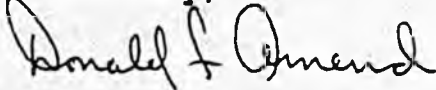
The 3% enhancement tax revenue is administered through the Department of Commerce and Economic Development. I understand that nothing can be done now to reinstate the withheld enhancement tax funds. Therefore, I strongly urge you to use the authority of your office to have the Department of Commerce redistribute their allocated funds to fully fund what the Regional Aquaculture Associations are entitled to receive. The fishermen and the people of Alaska deserve to be treated fairly and the State government should not frivolously break commitments and promises.

**PRIVATE NON PROFIT HATCHERIES**

S.S.R.A.A.

Please let me know what you plan to do to correct this error and what your plans are to prevent this from happening again.

Sincerely,



Donald F. Amend  
General Manager

DA/jlr

cc: Commissioner Loren Lounsbury  
Representative John Sund  
Representative Robin Taylor  
Senator Robert Ziegler  
Cook Inlet Regional Aquaculture Assoc.  
Northern Southeast Regional Aquaculture Assoc.  
Prince William Sound Regional Aquaculture Assoc  
Alaska Gillnetters Association  
Alaska Trollers Association  
Southeastern Alaska Sein Boat Owners and Operators

STEVE COWPER  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

January 13, 1987

Mr. Donald F. Amend  
General Manager  
Southern Southeast Regional  
Aquaculture Association, Inc.  
1649 Tongass Avenue  
Ketchikan, AK 99901

Dear ~~Mr.~~ Amend: *Don*

Thank you for your November 10 letter of congratulations. I greatly appreciate your support and offer of assistance.

The request for a supplemental appropriation to replace restricted salmon enhancement tax dollars remains on this Administration's agenda. The salmon enhancement taxes were established solely to support enhancement activities of the regional aquaculture associations and, consequently, the tax receipts should not be used to supplement general government funding.

We will keep the regional associations informed as to the progress of this issue.

Thanks again for your comments.

Sincerely,

*Steve Cowper*  
Steve Cowper  
Governor

# MEMORANDUM

# State of Alaska

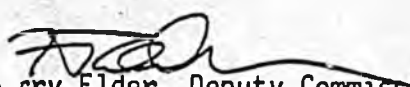
TO: Jay Hogan, Director  
Division of Budget Review  
Office of Management and Budget  
Office of the Governor

DATE: December 23, 1986

FILE NO.:

THRU: TELEPHONE NO.: 465-2500

SUBJECT: Request for Supplemental  
Appropriation, Fisheries  
Enhancement Tax Receipts

FROM:   
F. Terry Elder, Deputy Commissioner  
Department of Commerce and Economic  
Development

JAN 21 1987

This memo is the department's formal request for a supplemental appropriation in the amount of \$239,000 to replace funds that were cut from the Fisheries Enhancement Tax Receipts budget for FY 87.

Salmon enhancement taxes on the sale of salmon are collected by the Department of Revenue in areas where regional aquaculture associations have been formed by local fishermen, and those fishermen have approved a tax. The funds are subsequently appropriated by the Legislature to the Department of Commerce and Economic Development, which then distributes the funds to the regional associations through contractual agreements. It is clear that the legislative intent was to correlate the appropriations of fisheries enhancement funds to the actual tax revenues collected, and that the tax receipts are not to be used to subsidize other state government functions.

Despite the legislative intent and history of the program, the original FY 87 budget request of \$3,186,600 was reduced by 7.5% (\$239,000) in the Conference Committee during across-the-board budget cuts. Consequently, we must now request a supplemental appropriation to restore full funding for the Fisheries Enhancement Tax Receipts Program.

Please let us know if you require additional information.

CP/mst5086m  
122386a

OFFICE OF  
MANAGEMENT & BUDGET

DEC 24 1986

BUDGET REVIEW

**SOUTHERN SOUTHEAST REGIONAL  
AQUACULTURE ASSOCIATION, INC.**

1649 Tongass Avenue

Ketchikan, Alaska 99901

(907) 225-9605

Representative John Sund  
2504 Second Street  
Ketchikan, AK 99901

September 29, 1986

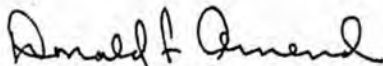
Dear Representative Sund:

You may recall the controversy among fishermen last spring when \$239,000 of the salmon enhancement tax was eliminated from the state budget. Your support was greatly appreciated in getting a commitment from Governor Sheffield to seek a supplemental appropriation during the next legislative session to replace these funds. However, we will now have a new governor and this commitment must be maintained.

I am asking for your support now to back this commitment. If you would write to me rededicating this commitment, I will gladly distribute it among the fishermen.

Thank you for your assistance.

Sincerely,



Donald F. Amend  
General Manager

DA/jlr  
Enclosure

**PRIVATE NON PROFIT HATCHERIES**

RESOLUTION FOR  
FULL DISBURSEMENT OF THE SALMON ENHANCEMENT TAX FUNDS TO  
THE REGIONAL AQUACULTURE ASSOCIATIONS

WHEREAS, the State of Alaska has created by statute provisions for fishermen to tax themselves for the purpose of salmon enhancement by Qualified Regional Aquaculture Associations (Title 43, chapter 76), and

WHEREAS, the majority of fishermen belonging to Qualified Regional Aquaculture Associations elected to impose either a two or three percent tax upon themselves based upon promises by the State of Alaska to fully disperse the tax collected to their respective Regional Aquaculture Association for salmon enhancement,

LET IT BE KNOWN, that the 1986 legislature withheld a portion of the enhancement tax, violating the promise made to fishermen.

LET IT BE FURTHER KNOWN, that Governor Sheffield promised to initiate supplemental funding in the 1987 legislative session to reinstate the funds withheld by the 1986 legislature and he further confirmed the promise that future enhancement taxes collected will be fully dispersed back to the appropriate Qualified Regional Aquaculture Association.

FURTHERMORE, gubernatorial candidate Steve Cowper also promised to support a supplemental appropriation in the 1987 legislature to reinstate the funds previously withheld and promised to support full disbursement of the salmon enhancement tax to the Regional Aquaculture Associations.

LET IT BE RESOLVED, that governor Steve Cowper honor his promises by supporting a supplemental appropriation in the 1987 legislative session to reinstate the funds withheld in 1986 and direct the Office of Budget and Finance and the Department of Commerce and Economic Development to prepare future budgets that require full disbursement of the salmon enhancement tax to the appropriate Qualified Regional Aquaculture Association.

APPROVED BY THE SSRAA BOARD OF DIRECTORS

BILL SHEFFIELD  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

June 5, 1986

Mr. Donald Amend  
General Manager  
Southern Southeast Regional  
Aquaculture Association  
1649 Tongass Avenue  
Ketchikan, AK 99901

Dear Don,

As you are aware, the FY 87 operating budget shows a \$239,000 reduction in salmon enhancement tax money. In the chaos at the end of the session, the tax money unfortunately fell through the cracks when the Conference Committee failed to select the full funding provided in the House of Representatives' budget and instead chose the Senate's figures. This shortfall is truly regrettable, and my Administration will seek a \$239,000 supplemental appropriation early next session to cover it.

Although the Department of Law now tells us we can't issue a contract for an amount larger than the FY 87 appropriation, the Division of Investments of the Department of Commerce and Economic Development (DCED) will be able to quickly amend your contract once a supplemental is approved. A copy of this letter will be formally attached to your contract to represent my Administration's intent. Commerce officials recommend that you base your FY 87 budget on the full funding level with the fourth quarter reflecting your individual shortfall to be funded by the supplemental. Your first three quarterly payments will be based on the full payment due.

I will work closely with the Legislature to ensure speedy passage of this appropriation. Should the Legislature fail to act, DCED will work closely with you to make sure your financial needs are met and to see that the funds are added to the FY 88 budget.

I realize that your major fear is concerning possible future raids on the fisheries enhancement tax funds. I can assure

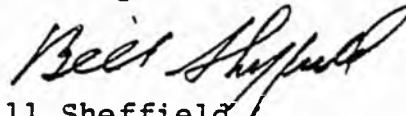
June 5, 1986

Page 2

you that my Administration is fully aware of the history of this tax and is committed to the full disbursement of these funds. I have instructed the Office of Management and Budget to take whatever steps are necessary to ensure that future changes in DCED's budget will not impact the disbursement of fisheries enhancement taxes to the regional aquaculture associations.

Thank you for your assistance in working with us to arrange this plan to recover the full funding. I regret any inconveniences this may have caused your organization.

Sincerely,



Bill Sheffield  
Governor

cc: Mr. Jack Cadigan  
United Fishermen of Alaska

Mr. Earl Krygier  
Alaska Trollers Association

**JOHN SUND, REPRESENTATIVE**

2505 2nd Avenue  
Ketchikan, Alaska 99901  
(907) 225-5552

While in Juneau  
P. O. Box V  
Juneau, Alaska 99811  
(907) 465-4919

May 23, 1986

The Honorable Bill Sheffield  
Pouch A  
Juneau, Alaska 99811

Dear Governor Sheffield:

A dangerous precedent has been set in this year's budget with the \$239,000 that has been skimmed from the fisheries enhancement tax receipts.

That money was removed in OMB's revised version of your budget. The House restored the 7.5% cut, only to have it removed once again in conference committee, when the Senate followed your lead and cut an identical 7.5% from the fishermen's tax receipts.

At the time the original cut was made in your budget, the action was justified as the cost of administrative overhead. When the fisheries enhancement tax was voluntarily established by the fishermen, the courts said that receipts must be channeled through a government agency. However, the agreement in 1979 was that 100% of those receipts would be reimbursed to the aquaculture associations; no "administrative overhead" and no skimming!

As I mentioned, I am very disturbed by the precedent that we are setting here. If I could alter the action of this Legislature I would do so. Lacking that ability, I ask for your strongest assurances that this will never happen again.

Sincerely,

John Sund  
Representative

cc: Dave Massey, C&ED  
Don Amend, SSFAA

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

	<u>FY 86 AUTHORIZED</u>	<u>FY 87 GOVERNOR</u>	<u>FY 87 REVISED</u>	<u>FY 87 % CHANGE</u>
General Fund	\$54,262.8	\$50,496.9	\$47,667.3	(5.6)
Total Funds	\$71,943.0	\$69,566.9	\$64,986.9	(6.6)
PFT	447	446	413	(7.4)
PPT	16	16	21	

<u>PROGRAM</u>	<u>IMPACT</u>	<u>GF REDUCTION</u>
Tourism	Eliminate Media Exposure Recovery Increment.	(964.5)
Small Business Development	Eliminate Business Assistance Center Contracts. To be replaced with 50% Federal/50% State CIP funded SBA program utilizing the university system.	(350.0)
ASMI	General Fund reduction which could be offset by an increase in the Seafood Marketing Assessment.	(493.0)
Fisheries Enhancement Tax Receipts	Pass on to PNP aquaculture associations less than assessments collected. Reduction of 7.5% justified as the cost of state administrative overhead.	(239.0)
APUC	Delete 4 PFT positions including the Deputy Executive Director.	(214.4)
Economic Development Advocates	Consolidate the Office of Forest Products and the Office of Minerals Development. Consolidate the Office of Small Business Development and the Office of International Trade. Delete two Office Directors.	(177.1)
Alaska Power Authority	Eliminate 4 PFT general fund positions. Eliminate an additional 16 PFT positions supported by other funding sources. Convert 5 PFT positions to part-time.	(287.9)

\*\*\*\*\* DEPARTMENT OF COMMERCE & ECONOMIC DEVELOPMENT \*\*\*\*\*

BUDGET COMPONENT	86 AUTH	GOVERNOR	OMB REV	EXPLANATION OF CHANGES (EXCEPT GENERAL REDUC
74 ? COMMERCIAL FISHERIES DEV.	362.3	370.7	<del>3700.2</del>	Delete program (3700.2)
76 INTERNATIONAL TRADE	792.8	790.5	756.1	
78 FOREST PRODUCTS	187.8	211.0	187.8 <del>245.5</del>	Reduce to '86 Auth (57.7)
80 RESEARCH, ANALYSIS & SUPPORT	445.5	438.2	445.5 <del>465.7</del>	Reduce to '86 Auth (20.4)
82 DATA AND WORD PROCESSING	24.8	6.7	6.7	
84 ENERGY	1.4			
*** PROGRAM TOTAL ***	3270.5	3195.6	5969.3	
INVESTMENTS				
86 OPERATIONS	1390.6	1360.4	1360.4	
88 DATA AND WORD PROCESSING	2.7	1.9	1.9	
*** PROGRAM TOTAL ***	1393.3	1362.3	1362.3	
ACCOUNTING AND COLLECTIONS				
90 OPERATIONS	1466.5	1716.8	1691.2	
92 DATA AND WORD PROCESSING	159.2	90.7	151.2	
*** PROGRAM TOTAL ***	1625.7	1807.5	1842.4	
96 ? FISH ENHANCEMENT TAX RECEIPTS TOURISM	3186.6	3186.6	2947.6	what is this cut Skimming (239)
100 OPERATIONS	7251.8	8127.4	7162.9	
102 DATA AND WORD PROCESSING	3.6			
*** PROGRAM TOTAL ***	7255.4	8127.4	7162.9	
AIDA				
106 OPERATIONS	1624.5	1734.7	1714.4	
108 DATA AND WORD PROCESSING	114.9			
*** PROGRAM TOTAL ***	1739.4	1734.7	1714.4	
AK SEAFOOD MARKETING INSTITUTE			3000.0	Add 3000.0

HB

34

# HOUSE COMMITTEE REPORT

(9)

Date referred: 1/19/87

FURTHER REFERRALS: Judiciary

DATE: \_\_\_\_\_

The Resources Committee has considered HB 34

"An Act relating to the obstruction or hindrance of lawful hunting, fishing, or trapping."

**RECOMMENDS:**

- replace with \_\_\_\_\_  the same title
- attached amendment(s)  a new title
- do pass
- do not pass
- no recommendation
- individual recommendations
- additional referral to the \_\_\_\_\_ Committee

**ADOPTS:**  \_\_\_\_\_ letter of intent

**ATTACHES NEW FISCAL NOTE(S):**

- fiscal impact  same as previous fiscal note published \_\_\_\_\_
- zero fiscal note  same as previous zero fiscal note published \_\_\_\_\_
- zero with analysis

**SIGNING DO PASS:**

James R. Gutz

Kevin Sprague

Dick Shultz

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**SIGNING OTHER RECOMMENDATIONS:**

Cliff Davidson no rec

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

James R. Gutz  
Chairman's signature

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version: HB 34  
Publish Date: \_\_\_\_\_

Revision Date: \_\_\_\_\_  
Title: An Act relating to the ob-  
struction or hinderence of lawful

Agency Affected: ADF&G  
BRU: \_\_\_\_\_

Sponsor: hunting, fishing or trapping  
Requestor: Shultz

Components: \_\_\_\_\_

House Resources

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Roland Shanks  
Division: Commissioner's Office

Phone: 465-4100  
Date: 4/23/87

Approved by Commissioner: Thomas Penney  
Agency: \_\_\_\_\_

Date: 4/23/87

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)
- Senate Secretary



## **ALASKA OUTDOOR COUNCIL, INC.**

3780 MCGINNIS DR. JUNEAU, AK 99801  
(907) 789-3450

April 21, 1987

Representative Sam Cotten  
&  
Representative Adelheid Herrmann  
Cochairmen  
House Resources Committee

Representatives Cotten and Herrmann:

I will be unable to attend the hearings for which HB 34 and HB 82 are scheduled. On behalf of the Alaska Outdoor Council, we would like to go on record as supporting both pieces of legislation. We supported the same legislation previously only to have them vetoed by the previous Governor. I would also like to add that both pieces of legislation received considerable bipartisan support from within the legislature.

First, I would like to comment that both bills are directed at protecting those who are lawfully hunting, fishing and trapping. Throughout the country there has been an escalation of efforts to ban or severely restrict these activities, frequently through harassment tactics employed by the "ANTI" environmental groups. Although we have not experienced much of this type of harassment in Alaska, we have all the ingredients to create severe confrontations between particularly the anti-hunting and anti-trapping organizations and the many Alaskans who depend on these resources.

We have seen brief fringe activities of the anti-use groups such as with the fur seal harvest and wolf hunting. Unless Alaska sends a clear message to these organizations that we will not tolerate infringements on our citizens rights to lawfully participate in these and other harvesting practices, then we can expect, like other states, we will be targeted for specific harassment campaigns.

Both HB 34 and HB 82 provide some level of protection to Alaskans who are legitimately and legally participating in harvesting activities. HB 82 would protect the individual from personal harassment by keeping harvest records confidential to the extent that they identify specific individuals. This is not in any way intended to reduce the effectiveness of the Department of Fish and Game in collecting or compiling harvest data which is crucial to the

management of the fish and wildlife resources.

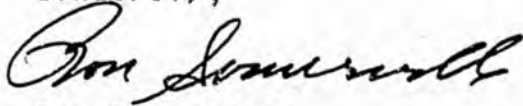
HB 34 is strictly designed to discourage organized harassment of Alaskans who are engaged in legitimate hunting, fishing and trapping activities. This legislation gives some legal recourse to individuals who are being harassed.

I would like to note that the only organizations who opposed both of these bills previously were segments of the environmental lobby--particularly those who have strong anti-hunting and anti-trapping records.

The Alaska Outdoor Council strongly supports these pieces of legislation and we hope that you will see fit to again place it before the Governor for his consideration.

If there are any additional questions, we will be happy to respond.

Sincerely,



Ron Somerville  
Executive Director

# Representative Dick Shultz

Alaska State House of Representatives

P.O. Box V • Juneau, Alaska 99811 • (907) 465-4940

Home: P.O. Box 487 • Tok, Alaska 99780



Member  
House Resources Committee

MEMORANDUM

APRIL 23, 1987

TO: ALL LEGISLATORS

FROM: DICK SHULTZ *DS*

RE: HB 34

\*\*\*\*\*

The House and Senate have passed this legislation through their respective bodies on two occasions in previous years.

The bill is designed to prevent the harassment of persons lawfully engaged in hunting, trapping, and fishing activities.

The basis for the legislation is to avoid the type of harassment organized animal protectionist groups have carried out throughout many parts of the United States and Canada.

The bill is patterned after legislation passed in other states with similar penalty provisions. In addition, HB 34 has a liberal defense clause to protect those who mistakenly believed that disturbing hunting, fishing, or trapping activities was legal.

We have a responsibility to protect our citizens in their outdoor activities as well as those who plan the once in a life time trip to Alaska to enjoy our fish and game resources.

This legislation will serve not only to protect legal outdoor activities, but will also reduce the threat of violence in the field by providing judicial relief for those damaged as a result of intentional harassment.

I urge you to support this legislation.

# HUNTING IS A DIRTY BUSINESS

*Excerpts from an article by Bil Gilbert*

Stories about hunters shooting cows, goats, poodles, Volkswagens and people are part of the folklore, but unfortunately they are frequently true. One fall I foolishly ventured out with three small children into our overgrown pasture. Suddenly there was the report of a gun, the zinging of slugs passing through the underbrush a foot or so over our heads. One satisfaction of the whole scary incident was proving that at least a bird watcher was hardy enough to run down a 17-year old hunter. I took the gun away from the boy and took him to his father, who was 'sporting' nearby. The old man mildly admonished the boy and lectured me sternly about letting "unmarked" children wander about our own posted field.

Beyond the fact that sports hunters are, as a rule, disreputable, the most obvious complaint against them is that they are destructive of wildlife. Several species — the passenger pigeon, heath hen, Eskimo curlew — were simply hunted into extinction. Many more — buffalo, antelope, grizzly bear, wolf, mountain lion, eagle, certain waterfowl — now barely survive.

Wildlife officials usually admit that without wardens, the sport gunners would probably come close to wiping out all game and a variety of other species.

The most irksome aspect of all this is that, unlike bridge players, Boy Scouts, pool hustlers or any other sporting group, hunters are more or less public wards. I, you, we are required to subsidize hunters with our taxes and set aside large chunks of our increasingly scarce wild lands and wildlife for their use. Somewhere in the neighborhood of 25,000 public wildlife "conservation" workers, state and federal, consume upwards of a half-billion dollars a year mostly to make it easier and quicker for gunners to kill animals. No other sports comes anywhere close to being so pampered and coddled.

Take, for example, the National Wildlife Refuge system operated by the Department of the Interior. Some 29 million acres of public land (2 million more than are in the National Park system) are set aside for wildlife refuges. Much of this land is managed and maintained for the primary benefit of waterfowl gunners. Hunters point out that they buy duck stamps and assert that this money pays for the refuge system. The truth is that in 1976 the annual refuge budget was about \$30 million, and the annual income from duck stamps was \$5 million. In other words, about 85 percent of the refuge money comes from general tax revenues. Today the situation is even worse. So far as I know, there are no state game agencies that do not need appropriations which issue from people who do not hunt at all.



Hunters attempt to justify this obvious inequity by explaining that the work of state and federal wildlife agencies benefits all wildlife. It is claimed that state and federal hunting lands also serve as a sanctuary for many nongame birds and mammals. They do sometimes, but it is largely accidental. For example, Michigan is contemplating creating about a half-million acres of new deer habitat. This will involve bulldozing the land, turning it into deer-browse scrub. Some other species will find the scrub hospitable, but the variety of wildlife that can use the land will decline. From the standpoint of the nature watcher, these acres will be about as attractive as a housing development in preconstruction stages.

An obvious solution to many of these inconsistencies and inequities is to remove the financial — and thus political — stranglehold that hunters and many public wildlife men believe they have on wildlife agencies. The crucial need is for all the operating funds for wildlife agencies to be appropriated from general revenues. Freed from the bondage of hunters' money, state and federal wildlife agencies should be required to initiate research programs which would benefit all fauna, not just those creatures that hunters shoot. There is no reason why some public refuges could not be left for the pleasure of photographers and those who simply enjoy seeing and contemplating the ways of species not classified as human.

Hunters are so firmly entrenched in our wildlife bureaucracy that only a concerted, aggressive campaign will flush them. A philosophical basis for this campaign might be the realization that despite a lot of pious, self-congratulatory propaganda, hunters are generally a destructive, dangerous lot, who have made a mess of our wildlife. ■

# HUNTING SEASON IS HERE

## Get Out Your Hip Boots and Make Life Difficult For the Weekend Woodsman

American hunters will be shouldering their rifles and shotguns within the next few months, marching off to their annual offensive against wildlife. This legion, which is generally better equipped than the entire German armies of the Second World War, will take a bloody toll before the season ends. They will kill deer and rabbits, ducks, dogs, cats, a few children, and even a few of themselves. How about calling a meeting of a few friends to plan for this hunting season? Here are a few ways you can strike out against the hunt:

1. Encourage neighbors with acreage to post their land. Let them know that hunters cause more damage than wild animals.
2. Many areas have hunting restricted to a specified number of hunters with permits. The permits are usually awarded by a simple lottery selection. Apply for these permits yourself; you may win one and deny a hunter his kill.
3. Get into the woods the day before hunting season. Try to drive wildlife away. Stroll about with a loud radio or a dog on a leash to make wildlife wary of humans.
4. Rotten eggs or cow dung can be rubbed into the floor and walls of hunting blinds to make hunters uncomfortable. Uncomfortable hunters are irritable, and are more likely to miss.
5. Placing deer repellent (available at many feed and hardware stores) along deer routes will encourage the deer to move away and leave the hunter with a route devoid of the species. Scoop up a bag of human hair from a local barber shop and put handfuls of it in little bags about 2 or 3 feet from the ground, along the deer track. The deer will soon get the message that there are humans in the area and will drift away.
6. If hunters use dogs in your area, try to get hold of a female dog in heat and lead her, on a leash, through



"Okay! Now don't move, Andy! Here comes Mom!"

an area that is heavily hunted. Male dogs in the hunter's pack will "get wind" of the female and lose their enthusiasm for chasing rabbits or other hunted animals.

7. If you have a portable tape recorder, buy a cassette recording of wolf howls. Play this in the woods a few times in the days before hunting season.
8. Buy large, old stuffed animal toys at a local thrift shop or make your own. Set these around commonly hunted areas. Hunters often don't take the time to check if an animal is real! Better to have a hole in a cotton rabbit than a real one—and the noise of the gun going off may scare away other wildlife. ■

Excerpted from Friends of Animals "Tips for Hunt Saboteurs"

## COMMITTEE TO ABOLISH SPORT HUNTING

Called "One of the Most Dangerous and Aggressive Organizations in the U.S." by the National Rifle Association

C.A.S.H. has

- ★ Won an epic battle to keep hunters out of 52,000 acre Harriman State Park in New York
- ★ Filed a lawsuit to stop hunting at Riley Creek State Park in Pennsylvania
- ★ Defeated the U.S. Department of Interior's ban on anti-hunting demonstrations at Great Swamp Refuge, New Jersey

Specializing only in the fight against "sport" hunting, C.A.S.H. can continue working for wildlife only because people like you care.

\$20 provides a 1-year membership. Contributions of any size are gratefully accepted and immediately put to use. Write us:

The Committee to Abolish Sport Hunting  
Box 43, White Plains, New York 10605  
or call: 212/428-7523

*friends of animals, inc.*

11 West 60th Street, New York, N.Y. 10019

NRA/ILA

LIBRARY 247-8120

DATE \_\_\_\_\_

AUG 30 1983

?

## TIPS FOR HUNT SABOTEURS

Fourteen million Americans will be shouldering their rifles and shotguns within the next few months, marching off to their annual offensive against our wildlife. These legions, which are more numerous, and generally better equipped than the entire Nazi armies of the Second World War, will take a bloody toll before the season ends. They will kill deer and rabbits, ducks, dogs, cats, a few children, and even a few hunters.

It is time for friends of animals to start organizing a defense that will serve to at least temper the wanton destruction. There are many ways that a friend of animals can become a forest partisan on behalf of our wildlife, and we offer here a few suggestions that range in effort, depending upon a person's abilities and commitment:

1. Deny the hunter the land to hunt on. Much hunting is done on private lands. To protect these animals, encourage your neighbors, especially those who own large tracts such as farms and ranches, to post their land and forbid hunting. Try to convince them that hunters invariably cause more damage to agriculture than the wild animals do.
2. Many areas have hunting restricted to a specified number of hunters who have special permits. Commonly, these permits allow the hunter to use a particular blind or hunt less common species, such as bear. Apply for these permits yourself. The permits are usually awarded by a simple lottery selection. If you're lucky, you'll win a permit and deny a hunter his kill.
3. Get into the woods yourself the day before the hunting season. If you're familiar with the most commonly hunted areas, try to drive wildlife away. A stroll through the forest with a nice loud radio and a dog on a leash, will serve to make wildlife more wary of humans. This is particularly important for younger animals that have not yet had the traumatizing experience of being hunted.
4. Certain substances, such as rotten eggs, when rubbed into hunting blinds, make these enclosures even more uncomfortable for the hunters. Uncomfortable hunters are irritable, and are also poorer shots. Plastering the floor of a hunting blind with cow dung is another good idea.
5. If you're familiar with wildlife habits in your neighborhood, try to encourage them to break these habits shortly before hunting season. For instance, many hunters like to stalk along deer tracks which are pretty well defined to a good woodsman. Placing deer repellent (available at many feed and hardware stores) along these tracks will encourage the deer to move away and leave the hunter with a route devoid of the species. If you want to save money, just scoop up a bag of human hair from a local barber shop and hang handfuls of it in little bags about two or three feet from the ground, along the deer track. The deer will soon get the message that there are humans in the area and will drift away.
6. If there is much hunting with dogs in your area, try to get hold of a female dog in heat and lead her, on a leash, through an area that is heavily hunted. Male dogs in the hunter's pack will "get wind" of the female and lose their enthusiasm for chasing rabbits or deer.

7. Hunters frequently like to ambush their prey by setting out food and then hiding in blinds. Commonly, bushels of apples are set out a few days before hunting season to encourage deer to browse in this area. When hunting season comes, the hunter merely comes to the site, climbs into a blind, and waits for the deer to come to him. To disrupt this, there are two alternatives. First, remove all apple piles immediately on finding them during the days preceding hunting season. Second, if there are just too many apples to carry away, give them a good spraying with deer repellent and spread barber shop hair clippings all over the area.

8. Encourage your municipality to pass an ordinance that bans, in the interest of public safety, the use of all weapons within its limits. Rifles, shotguns, bows and arrows have been known to kill people too.

9. If you have a portable tape recorder, get a cassette recording of wolf howls. Play this in the woods a few times in the days before hunting season. It will make wildlife wary.

10. Try to develop strong anti-hunting sentiment in your community by writing letters to the editor of your local newspapers, meeting with neighbors, getting on talk shows. Creating public awareness of the problem is a vital point. Let your neighbors know that the law recognizes wildlife as belonging to all people, and they are not the exclusive property of hunters until after they have been murdered.

11. Work on a project to get your State to pass a law that would require all hunters to carry written permission from the landowners of the places they hunt. This further curbs the hunter's battlegrounds because many farmers are reluctant to sign permits that would allow people to hunt on their lands. Also, much land is owned by summer residents, corporations, etc. that are nearly impossible to get hold of.

12. Approach your Congressperson and Senators with demands that hunting and trapping be prohibited on national wildlife refuges and all public land.

13. If you have any old, stuffed animal toys, set these around commonly hunted areas. Hunters often don't take the time to check if an animal is real. Better to have a hole in a cotton rabbit than a real one - and the noise of the gun going off might serve to scare away other wildlife.

14. We will be trying to put together a better activist's guide for next hunting season, so if you have any ideas or procedures you've found effective, please let us know. Mail them in to Bill Clark, Friends of Animals, 11 West 60th Street, New York, NY 10023.

Use your imagination. There are plenty of ways to frustrate the hunt, depending on your own abilities and enthusiasm. The main point here is to do something. By your work, you will be helping animals in two ways. First, you will be protecting them from the hunters and second, you will be letting the hunters know that friends of animals are in the woods. This serves to anger them, and angry hunters do not stalk so quietly, their aim is not so precise. Emotions can play heavily in the success of a hunt, and the most effective killers are cool and methodical. Disrupt!

HB

41





Introduced: 1/19/87  
Referred: Resources and  
Finance

1 IN THE HOUSE

BY BROWN AND KOPONEN

2

HOUSE BILL NO. 41

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 confidentiality of certain  
oil and gas information."

7

8

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

9

\* Section 1. AS 31.05.035(c) is amended to read:

10

(c) The reports and information required in (a) of this section

11

<sup>MUST</sup> (shall) be kept confidential for 24 months following the 30-day filing  
period, unless the owner of the well gives written permission to re-

12

lease the reports and information at an earlier date. [IF THE COMMIS-

13

SIONER OF NATURAL RESOURCES FINDS THAT THE REQUIRED REPORTS AND INFOR-

14

MATION CONTAIN SIGNIFICANT INFORMATION RELATING TO THE VALUATION OF

15

UNLEASED LAND IN THE SAME VICINITY, THE COMMISSIONER SHALL KEEP THE

16

REPORTS AND INFORMATION CONFIDENTIAL FOR A REASONABLE TIME AFTER THE

17

DISPOSITION OF ALL AFFECTED UNLEASED LAND, UNLESS THE OWNER OF THE

18

WELL GIVES WRITTEN PERMISSION TO RELEASE THE REPORTS AND INFORMATION

19

AT AN EARLIER DATE.] Well location, depth, status and production data

20

and production reports required by the commission to be filed subse-

21

quent to the 30-day filing period is [SHALL BE CONSIDERED] public

22

information and may [SHALL] not be classified confidential.

23

Production data, as used in this subsection, means volume, gravity,

24

and gas-oil ratio of all production of oil or gas after the well

25

begins regular production.

26

Handwritten notes: 48 15 wells

# Alaska State Legislature



## House of Representatives House Judiciary Committee

P. O. Box V  
State Capitol  
Juneau, Alaska 99811  
(907) 465-4990

R E V I S E D

AGENDA

February 18 - 20, 1987

(\* indicates first public hearing)

### HOUSE JUDICIARY

Capitol 120  
465-4990

1:30 p.m. - 3:00 p.m.  
Monday - Friday

#### Wednesday

- \*HB 106 An Act relating to the payment of criminal fines and restitution. (Teleconference all sites)
- HB 114 An Act relating to acceptance of surety bonds. (Held over from 2/16)
- \*HB 122 An Act relating to the authority to compromise certain misdemeanors.

#### Thursday

- HB 61 An Act relating to the renewal of permits for the use of mental health land of the state; ed. (Held over from 2/16)
- HB 67 An Act relating to the rural housing program of the Department of Community and Regional Affairs; ed.
- HB 86 An Act relating to the definition of veteran for purposes of veterans' employment preference rights; ed.

#### Friday

- HB 28 An Act relating to municipal penalties for prostitution. (Heard and held over from 2/16)
- HB 43 An Act relating to return transportation for workers. (Heard and held over from 2/16)
- HB 52 An Act relating to motor vehicle forfeiture. (Heard and held over from 2/12)
- HB 53 An Act relating to penalties for violation of workplace safety laws. (Heard and held over from 2/11 and 2/12.)

For information contact John Hartle or Peggy Sepulveda c/o Rep. John Sund,  
Room 120 Capitol, 465-4990.

Chevron

The following are responses to the five Legislative Findings of CS for House Bill No. 41 (Resources), February 17, 1987:

**LEGISLATIVE FINDING #1**

"The best interests of the state will be served if oil and gas well data and information are not held confidential for periods longer than two years."

**Response**

The best interests of the state, particularly increased revenue, are better served where additional leasing and drilling of Alaska's oil and gas resources are promoted. Knowing that significant well data and information will be kept confidential until adjacent lands are leased will actually encourage frontier exploration in the state and will encourage the drilling of additional wells because the driller knows that he can drill to test geologic concepts that, until tested, do not economically justify acquiring a large acreage position. Most often, several concepts must be studied and tested by drilling if any are to prove successful. This testing may require a long period of time in the Alaskan environment and requires a substantial economic risk to the driller. Without extended confidentiality, this type of exploration will not occur.

If the two year period proposed in HB #41 is adopted, an operator will not risk drilling a well near open acreage unless he is confident a lease sale will occur in less than two years. If there is any uncertainty, the net effect of a two year period, will be to discourage exploration.

Restricting confidentiality of well information for a two-year period establishes a time limit on confidentiality that is inconsistent with the long lead times required to operate in Alaska, as dictated by remote locations, harsh climate, seasonal drilling restrictions, and changing sale schedules. A two-year confidentiality period will favor short-term operations adjacent to sales scheduled in the immediate future and discourage long-term operations in areas where the sales are scheduled in the distant future or have questionable certainty of occurring.

Following are examples that show how the current policy increases exploratory drilling, increases industry competition, and enhances the state's economic interest:

At the time of the State-Federal Joint Sale, BF-79, in the Point Thomson area, a gas condensate had been delineated by several wells. Fifteen tracts in the area received bids at the sale. The bidding companies that had all of the confidential well information acquired only two leases at relatively low bonuses. One bidding group that did not have any well information acquired six leases for large bonus bids. Subsequent to the sale, five wells were drilled on those leases acquired by companies that did not have all the confidential information prior to the sale — although nearly all of that well data was released after the sale occurred.

Another example from the same sale was that a combine of two companies that presumably had no well information in the area of Tract BF-76 out-bid the group that had a discovery offsetting tract BF-76 and narrowly missed beating the winning bid by less than 5%.

In State Sale #36, a group drilled a delineation well in the Pt. Thomson field directly offsetting the sale area. At the time of the sale, the winning bid was submitted by a group of companies that had no close-by well data and bid more than \$2MM above the group that had drilled the well.

Another example addresses a similar situation in the Cape Halkett area. Chevron with partners drilled a well on private land prior to OCS Sale #71, held in 1982, and State Sale #43, held in 1984. Chevron did not participate in the bidding on nearby tracts, but all the tracts were leased in the area. Subsequently, another exploratory well was drilled in the area by other lease holders. This example also points out that the juxtaposition of private, Federal, and state land is a common occurrence and prospects cannot always be leased in one sale.

Similar bidding patterns occur repeatedly in State and OCS sales throughout the U.S. To argue that the early release of well data serves the best interest of the State is to ignore what really happens in competitive lease sales and in subsequent exploration and development.

The state benefits from the existing provisions of the law because they encourage exploration drilling in the frontier areas of Alaska by rewarding risk takers with protection of their investment in proprietary confidential data and encouraging them to make long-term exploration plans and pursue new ideas and high risk ventures.

## LEGISLATIVE FINDING #2

"Increasing the amount of oil and gas well data and information available to citizens of the state and to the state's oil and gas industry, will improve competition and encourage more companies to become involved in oil and gas exploration and production in the state."

### Response

Fifty-one percent of all state acres leased since statehood have been leased since the enactment in 1978 of the law providing for extended confidentiality periods of certain wells. It has been alleged that there are other companies not currently operating in Alaska who may be willing to come to Alaska and explore if there is a common data base on which they can build. But in fact, of the hundreds of wells that have been drilled since 1978 only 50 as of

February, 1987, have ever been granted extended confidentiality beyond 24 months. Of these, only 17 are currently in extended confidentiality. Of the 33 wells whose data have now been released, the average time period for the extension of confidentiality was only 2.3 years. A broad common data base already exists.

The companies that are aggressive explorers and have the expertise, capital and commitment to explore Alaska have been here doing so since statehood and are exploring now. Other companies who have not been involved in drilling in Alaska already have a wealth of information available; all but 17 wells are available to them free of cost, courtesy of those who have taken the risks and expended the capital. This bill will not motivate drillers to take exploratory risks. It should be pointed out that the release of over 100 wells drilled on the NPRA has not increased competition and not encouraged any more companies to explore the area other than those who have operated on the North Slope historically.

### LEGISLATIVE FINDING 3

"The predictable release of oil and gas well data and information will expedite oil and gas exploration and production and enhance the state's economic interests."

#### Response

The purpose of granting extended confidentiality is to allow companies to plan exploratory programs that are based on fair and consistent treatment of confidential well information and to allow for changes in the state's leasing schedule. Without assurance of confidentiality, companies will not be encouraged to drill on prospects near or adjacent to unleased land until those prospects are substantially leased. This bill will serve to delay rather than expedite oil and gas exploration.

The top four oil-producing states of Texas, Alaska, Louisiana, and California currently have provisions to extend confidentiality periods beyond two years. Direct comparison, however, to any provisions for confidentiality in the other forty-nine states is not appropriate for Alaska's unique situation of harsh climate, remoteness, and limited drilling seasons. Alaska is a difficult frontier for oil and gas exploration and requires a long lead time for exploration. Wells have been drilled in some areas of the state where even today, almost ten years after the wells were drilled, no sale of adjoining public lands is scheduled. To be meaningful, extended confidentiality provisions, where appropriate, must remain open-ended. A two-year period of confidentiality is inconsistent with the long lead times required for Alaska exploration and sale schedules that unavoidably must change from time to time.

Past experience clearly shows that the Five-Year State Sale Schedule unavoidably changes for a variety of unforeseen reasons. For example, the new 1987 Five-Year Leasing Program has been reduced, by elimination or recombination, to ten scheduled sales from the nineteen sales reflected in last year's program. Sales that have been eliminated are Icy Cape, Holitna, Cook Inlet #62, offshore Icy Cape, Point Franklin, White Hills and Hope Basin. In addition, there are significant delays in the sales that have remained on the schedule. Four of the scheduled sales have been delayed an average of one year and five months. Because there is no guarantee that a sale will be held as scheduled, DNT's option of extending confidentiality for well data that meets the criteria set out in the law and regulations is an efficient means of encouraging exploration and allowing a company to expedite development of an exploration program based on consistent guidelines and regulations.

A prospect, or potential oil or gas field, will not usually be found to lie entirely within the lands offered at a single lease sale. Generally, a prospect will not be economic to produce unless the drilling company has enough of the prospect under lease such that production revenue will return a profit. Therefore, before investing in development costs, the company must try to obtain additional lands in subsequent lease sales or private lease acquisition to cover enough of the prospect to make it economical to produce. It will not benefit an aggressive company to drill a well to delineate the prospect, just to have a competing company use that same well data to win leases on the majority of the remaining lands in the prospect. This is why it is important for well data to remain confidential for extended periods in certain areas; otherwise, an aggressive company's incentive may be lost.

#### LEGISLATIVE FINDING #4

"Drilling operations will be safer and more efficient if oil and gas well data and information are available from nearby wells."

#### Response

The Alaska Oil and Gas Conservation Commission (AOGCC) already obtains the drilling data from every well drilled. It is aware if there are known drilling hazards in certain formations and it ensures safe drilling practices, because all drilling operations must be permitted by them. The AOGCC currently reviews and approves all drilling plans prior to the drilling of each well in Alaska, without having to divulge well data to the public. Making all well data public will not make drilling operations any safer or efficient than they already are.

#### LEGISLATIVE FINDING #5

"A better overall understanding of Alaska's subsurface resources and geology will be promoted if oil and gas well data and information are made available to the public."

#### Response

Data from hundreds of wells have already been released to the public. To release data from a few particular wells that have been granted extended confidentiality to encourage a private exploration plan would not substantially add to the current pool of geologic knowledge on Alaska and would not outweigh the long-term economic value to the state of encouraging frontier exploration based on novel concepts. This bill would especially discourage exploration of the least understood areas in Alaska where study and successful testing of geologic concepts requires a long period of time in the Alaskan environment. Most often these concepts do not economically justify acquiring a large acreage until proven by several wells. Unless the confidentiality of well data that tests these concepts is protected, this type of high-risk exploration will not be pursued.

We question whether the state has a legitimate interest in releasing to the public proprietary well data, particularly those data obtained from private lands.

STATE OF ALASKA 1987 LEGISLATIVE SESSION  
FISCAL NOTE

REQUEST: \_\_\_\_\_

Bill Version : HB 41  
Publish Date : \_\_\_\_\_

Revision Date: 1/28/87  
Title: An act relating to the confidentiality of certain oil & gas information  
Sponsor: Brown and Koponen  
Requestor: \_\_\_\_\_

Agency Affected: Natural Resources  
BRU: Petroleum Management

Components : \_\_\_\_\_

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

The bill would eliminate a requirement that the Commissioner of Natural Resources extend the period of well confidentiality in certain cases. Passage of the bill would result in a slight decrease in workload, but net savings would be very small and are difficult to project.

Prepared by: Robert C. Butts *Robert C. Butts* Phone: 465-2400  
Division: Oil and Gas Date: 1/28/87

Approved by Commissioner: [Signature] Date: 1/28/87  
Agency: Natural Resources

Distribution (by preparer):  
Legislative Finance  
Legislative Sponsor  
Requestor  
Office of Management and Budget  
Impacted Agency(ies)  
Senate Secretary

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF OIL AND GAS

HB 41 file  
STEVE COWPER, GOVERNOR

P.O. BOX 7034  
ANCHORAGE, ALASKA 99510-7034

February 6, 1987

The Honorable Sam Cotten, Co-Chair  
The Honorable Adelheid Herrmann, Co-Chair  
House Resources Committee  
Alaska State Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representatives Cotten and Herrmann:

At your request the division is providing further information relating to House Bill 41. HB 41 would eliminate a requirement that the Commissioner of Natural Resources extend the period of confidentiality for oil and gas well data when the data contain significant information relating to the value of unleased land in the same vicinity.

You have asked several questions relating to HB 41 which we will attempt to answer.

1. What requests for extended confidentiality are pending?

Answer: The division currently has no requests pending, although requests to extend confidentiality are anticipated for 15 exploratory wells and 16 development wells within the next two to three years. A list of these wells is attached.

2. In the case of wells for which extended confidentiality was requested, was it ever denied?

Answer: A formal request for extended confidentiality has been denied in only one case of which we are aware. That was the request for Sag Delta Well No. 8. A copy of the denial letter is attached.

Informal requests have also been made. For example, Texaco, in a meeting with the division inquired as to the chances for extended confidentiality for its Prudhoe #1 Well. The distance (approximately 16 miles) from unleased land prompted the division to respond that the chances for extension were relatively slim. The division never received a formal request from Texaco to extend the confidentiality of this well.

Although the decision of whether or not to extend confidentiality has often not been an easy one, no decision has ever resulted in litigation. To our knowledge, the closest we ever came to litigation was in the case of the Chevron Jeanette Island #1 Well. This well is situated about four miles from unleased land, and was plugged and abandoned in 1982. An initial decision by the division to deny extended confidentiality resulted in Chevron's declaration of its intent to litigate the decision. The division eventually issued a decision to extend the confidentiality of the well data until after federal Sale 87 in the Beaufort Sea. The sale was held, and the well data were subsequently released.

3. Should stratigraphic test wells be handled differently from exploratory wells?

Answer: Attached is the list of federal and state stratigraphic test wells drilled to date offshore Alaska. The Code of Federal Regulations (attached) requires the Director of the Minerals Management Service to make available to the public all data from drilling a deep stratigraphic test in federal waters 10 years after the completion of the test or 60 calendar days after the issuance of the first OCS oil and gas lease within 50 miles of the well, whichever is sooner.

These regulations seem to be well-suited to the general OCS situation characterized by large, untested offshore basins where companies are prone to cooperate in drilling a stratigraphic test. In the case of state lands, the offshore lands proposed for a lease sale are long, linear "bands" that would not easily lend themselves to a "distance to first leased land" test as used in the federal regulations. Nor would the patchwork of state leased and unleased lands easily lend themselves to a similar distance requirement. Only in the case of large, untested onshore areas such as in the Minchumina or Holitna basins would the concept of release of stratigraphic test data only after leasing of lands within a certain radius of the well be useful. It is not clear that the state needs to make special provisions for stratigraphic test wells at this time. As can be seen from the attached list, most, but not all of the stratigraphic test wells were drilled within two years of the lease sale.

4. Historically, what has been the effect on drilling strategy and scheduling of the extended confidentiality provision prior to scheduled lease sales?

Answer: The major discoveries in Alaska (North Slope and Cook Inlet) were all made prior to passage of the extended confidentiality statute. Much of the exploratory drilling prior to 1978 took place "against" nearby unleased land.

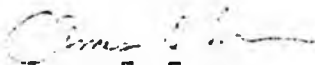
The extended confidentiality provision became effective in 1978. It is difficult for the division to speculate about whether or to what degree an operator's decision to drill was influenced by the extended confidentiality provision. After 1978, operators were aware that the closer their well location was to unleased land, generally the better

Reps. Cotten and Herrmann  
February 6, 1987  
Page 3

were their chances of being granted extended confidentiality. In each case, the possibility of keeping the well data confidential beyond the two-year period and the value of such data in trading for other companies' confidential data were probably considered prior to drilling. However, the value of such confidential data is a relatively minor part of the total expenditure for an exploratory well. Statewide drilling activity prior to passage of the provision for extended confidentiality showed that the prospects of discovery of hydrocarbons with the possibility of eventual production or the incentive to evaluate a lease prior to its expiration are much stronger incentives to drill than is the value of the extended confidentiality.

When well data are released to the public they become available to all operators large and small. The data are then used to refine geological and geophysical concepts and understanding, both in the area of the well and regionally. It is generally accepted that in an area such as Alaska, where relatively little drilling has occurred, enlarging the data base will lead to a better understanding by all interested parties of the factors that control the presence (or absence) of petroleum in a particular area. A better understanding of the geologic picture should lead to better definition of the optimum places to search for hydrocarbons. Releasing the data on a timely basis would result in their being incorporated into the diverse existing and future exploration concepts, rather than limiting their effective use to one or a few companies. Therefore, on balance we think that removing the provision for extension of confidentiality will lead to eventual discovery and development of additional hydrocarbons on state land.

Sincerely,

  
James E. Eason  
Director

cc: Representative Mike Navarre  
Representative Lyman Hoffman  
Representative Drue Pearce  
Representative John Sund  
Representative Cliff Davidson  
Representative Henry Springer  
Representative Dick Schultz  
Representative Kay Brown

0386c

WELLS FOR WHICH EXTENDED CONFIDENTIALITY  
MAY BE REQUESTED  
(release dates in 1987 or 1988)

Exploratory wells:

	<u>Company</u>	<u>Well</u>	<u>Release Date</u>	<u>Present Est. Distance From Unleased Land</u>
1.	Shell Western E&P Inc.	BF-57 #1	03-12-87	6 miles
2.	ARCO	K.R.U. W. Sak #26	03-29-87	5 miles
3.	ARCO	Brontosaurus #1	04-26-87	2.5 miles
4.	Texaco	Colville Delta #1	05-07-87	6 miles
5.	Texaco	Colville Delta #1-A	05-26-87	6 miles
6.	Shell Western E&P Inc.	OCS Y-180 #1	08-20-87	3 miles
7.	Amerada Hess	Northstar #1	02-14-88	1 mile
8.	Amerada Hess	Colville Delta 25-1	04-03-88	7 miles
9.	Texaco	Colville Delta #2	04-15-88	7 miles
10.	Standard AK. Prod. Co.	Niakuk #6	04-24-88	3 miles
11.	Texaco	Colville Delta #3	04-03-88	8 miles
12.	Amerada Hess	Northstar #2	05-06-88	1 mile
13.	Chevron	KIC #1	05-24-88	1 mile
14.	Chevron	Pretty Ck. U. #224-28	09-22-88	5 miles
15.	CM/Vaughn	Kup. Delta #1	Drilling	10 miles

Development Wells:

1.	ARCO	Kuparuk "drillsite Q wells" 16 wells permitted, drilling or "holding"	1-2 miles
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May 3, 1983

Marathon Oil Company  
P.O. Box 102380  
Anchorage, Alaska 99510

Attention: Mr. Fritz G. Nagel  
Manager, Anchorage District

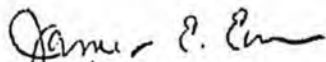
Reference: Request for Extension of Confidentiality  
Sag Delta Well No. 8, Beaufort Sea, Alaska

Mr. Nagel:

On April 25, 1983, Marathon requested that the department extend the confidentiality period for the subject well. These data are currently scheduled to be released to the public on May 15, 1983 when the 24 month confidentiality period prescribed by 20 AAC 25.537(d) expires. Upon review of the surrounding land status, I am denying Marathon's request. Alaska Statute 31.05.035 provides that on approval by the Commissioner, well reports and other data which contain significant information relating to the evaluation of unleased lands in the same vicinity shall be kept confidential for a reasonable time after the disposition of all affected unleased land. Using these criteria, it is not possible to approve your request. The subject well is 12 miles from the nearest unleased lands, and data from nearby wells are already public. There are no indications that the data from the Sag Delta No. 8 well would materially affect the evaluation of unleased lands in the vicinity of the well.

By copy of this letter, I am notifying the Alaska Oil and Gas Conservation Commission of my decision to deny your request.

Sincerely,



Kay Brown  
Director, DMEM

cc: Esther C. Wunnicke, Commissioner  
Department of Natural Resources  
C.V. Chatterton, Chairman  
Alaska Oil and Gas Conservation Commission

KB/SW/skt/1285s

STRATIGRAPHIC TEST WELLS  
 Drilled on Federal CCS Lands  
 (Continental Offshore Stratigraphic Test wells)

<u>Area</u>	<u>Completion Date</u>	<u>Sale Date</u>
<u>Norton Basin</u>		
Norton Sound COST 1	1980	1984
Norton Sound COST 2	1982	
<u>Navarin Basin</u>		
Navarin Basin COST	1983	1984
<u>St. George Basin</u>		
St. George Basin COST 1	1976	1983
St. George Basin COST 2	1982	
<u>North Aleutian Basin</u>		
North Aleutian Basin COST 1	1982	Sched. for 1989
<u>Lower Cook Inlet</u>		
	1977	1977
<u>Gulf of Alaska</u>		
	1975	1976

Stratigraphic Test Well  
 Drilled on State Lands

<u>Area</u>	<u>Completion Date</u>	<u>Sale Date</u>
<u>Beaufort Sea</u>		
Reindeer Island Stratigraphic Test No. 1	1979	1979

0387c

tained from, but not limited to, shallow and deep subbottom profiles, bathymetry, sidescan sonar, gravity and magnetic surveys, and special studies such as refraction and velocity surveys.

[45 FR 6344, Jan. 25, 1980, as amended at 48 FR 46026, Oct. 11, 1983]

§ 251.13 Reimbursement to permittees.

(a) After the delivery to the Director of geological data, analyzed geological information, interpreted geological information, geophysical data, processed geophysical information, reprocessed geophysical information, and interpreted geophysical information selected by the Director in accordance with §§ 251.11 or 251.12, and upon receipt of a request for reimbursement and a determination by the Director that the requested reimbursement is proper, the permittee or third party shall be reimbursed for the reasonable costs of reproducing the selected information and data at the permittee's or third party's lowest rate or at the lowest commercial rate established in the area, whichever is less.

(b) After the delivery to the Director of processed or reprocessed geophysical information selected and retained by the Director in accordance with § 251.12(b), and upon receipt of a request for reimbursement and a determination by the Director that the requested reimbursement is proper, the permittee or third party shall be reimbursed for the reasonable costs attributable to processing and reprocessing such information (as distinguished from the cost of data acquisition) as follows: (1) If the processing or reprocessing was in the form and manner which is used by the permittee in the normal conduct of the business, the Director shall pay the reasonable costs at the lowest rate at which the processed or reprocessed information is made available to any party; or (2) if the processing or reprocessing was in the form and manner of processing other than that used in the normal conduct of the permittee's business at the Director's request, the Director shall pay the reasonable costs of processing and reprocessing such information.

(c) Requests for reimbursement shall identify processing and reprocessing costs separate from acquisition costs.

(d) The permittee or third party shall not be reimbursed for the costs of analyzing geological information or interpreting geological or geophysical information.

[47 FR 25331, June 11, 1982]

§ 251.14 Disclosure of information and data submitted under permits.

§ 251.14-1 Disclosure of information and data to the public.

(a) The Director shall make information and data available in accordance with the requirements and subject to the limitations of the Freedom of Information Act (5 U.S.C. 552) and the implementing regulations (43 CFR Part 2), the requirements of the Act, and the regulations contained in 30 CFR Part 250 (Oil and Gas and Sulphur Operations in the Outer Continental Shelf), this Part, and 30 CFR Part 252 (Outer Continental Shelf Oil and Gas Information Program).

(b) Except as specified in this section or in Parts 250 and 252 of this chapter, no information or data determined by the Director to be exempt from public disclosure under paragraph (a) of this section shall be provided to any affected State or be made available to the executive of any affected local government or to the public unless the permittee and all persons to whom such permittee has sold the information or data under promise of confidentiality agree to such an action.

(c) The Director shall disclose geological data, analyzed geological information, and interpreted geological information submitted under a permit as follows:

(1) The Director shall immediately issue a public announcement when any significant hydrocarbon occurrences are detected or environmental hazards are encountered on unleased lands during drilling operations. In the case of significant hydrocarbon occurrences, the Director will announce such occurrences in a form and manner that will further the national interest without unduly damaging the

competitive position of the drilling. Other information and data pertaining to the test shall be released according to the provisions provided in paragraphs (c) of this section.

(2) The Director shall make available to the public all geological information, analyzed geological information, interpreted geological information, except geological data, analyzed geological information, and geological information obtained from the drilling of a deep test, 10 years after the date of issuance of the permit under which the information and data was obtained.

(3) The Director shall make available to the public all geological information and information obtained from the drilling of a deep stratigraphic test after the completion date of the test, or 60 calendar days after the date of the first OCS oil and gas lease within 50 geographic miles (80 kilometers) of the site of the test, whichever is sooner. The Director shall make available to the public geological information and information submitted in support of an application for a permit to drill a deep test well at the earlier of the following times: (1) 10 years after completion of the test; or (2) 60 calendar days after the issuance of the first OCS oil and gas lease within 50 geographic miles (80 kilometers) of the site of the completed test.

(d) The Director shall make available to the public geophysical data, processed geophysical information, reprocessed geophysical information, and interpreted geophysical information submitted under a permit, and retained by the permittee, as follows:

(1) The Director shall make available to the public geophysical information 10 years after the date of issuance of the permit under which the information was obtained.

(2) The Director shall make available to the public processed geophysical information, reprocessed geophysical information, and interpreted geophysical information 10 years after the date it is submitted to the Director.

(3) The Director shall make available to the public processed

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or reimbursement  
processing and repro-  
cessing from acquisition

or third party  
incurred for the costs  
of geological information or  
cal or geophysical

1982)

of information and  
for permits.

of information and

shall make infor-  
mation available in accord-  
ance with the provisions and sub-  
sections of the Freedom  
of Information Act (5 U.S.C. 552) and  
regulations (43 CFR  
101.11-1 through 101.11-6) of the Act,  
as contained in 30  
CFR 251.14-1 and Gas and Sul-  
fide in the Outer Conti-  
nental Shelf Oil  
(Program).

provided in this section  
of 251.14-1 of this chapter,  
as determined by  
the Director pursuant to paragraph (a) of this  
section, shall be made available to the  
affected local govern-  
ment unless the per-  
mits to whom such  
information or  
of confidentiality  
on.

shall disclose geo-  
logical and geophysical infor-  
mation obtained under a permit as

shall immediately  
upon announcement when  
hydrocarbon occur-  
rence or environmental  
operations on unleased  
operations. In the  
hydrocarbon occur-  
rence will announce  
in a form and  
whether the national  
interest is damaged by the

competitive position of those conduct-  
ing the drilling. Other information  
and data pertaining to the permit will  
be released according to the schedule  
provided in paragraphs (c)(2) or (3) of  
this section.

(2) The Director shall make avail-  
able to the public all geological data,  
analyzed geological information, and  
interpreted geological information,  
except geological data, analyzed geo-  
logical information, and interpreted  
geological information obtained from  
the drilling of a deep stratigraphic  
test, 10 years after the date of issue-  
ance of the permit under which the in-  
formation and data was obtained.

(3) The Director shall make avail-  
able to the public all geological data  
and information obtained from drill-  
ing a deep stratigraphic test 10 years  
after the completion date of the test  
or 60 calendar days after the issuance  
of the first OCS oil and gas lease  
within 50 geographic miles (92.6 kilo-  
meters) of the site of the completed  
test, whichever is sooner. The Director  
shall make available to the public all  
geological information and data sub-  
mitted in support of an application for  
a permit to drill a deep stratigraphic  
test well at the earlier of the following  
times: (i) 10 years after completion of  
the test; or (ii) 60 calendar days after  
the issuance of the first OCS oil and  
gas lease within 50 geographic miles  
(92.6 kilometers) of the site of the  
completed test.

(d) The Director shall disclose geo-  
physical data, processed geophysical  
information, reprocessed geophysical  
information, and interpreted geophys-  
ical information submitted under a  
permit, and retained by the Director,  
as follows:

(1) The Director shall make avail-  
able to the public geophysical data 10  
years after the date of issuance of the  
permit under which the data is ob-  
tained.

(2) The Director shall make avail-  
able to the public processed geophys-  
ical information, reprocessed geophys-  
ical information, and interpreted geo-  
physical information 10 years after  
the date it is submitted to the Direc-  
tor.

(3) The Director shall make avail-  
able to the public processed geophys-  
ical information, reprocessed geophys-  
ical information, and interpreted geo-  
physical information submitted in sup-  
port of an application for a permit to  
drill a deep stratigraphic test, 10 years  
after the date of issuance of the permit  
under which the information and data  
was obtained.

cal information, reprocessed geophys-  
ical information, and interpreted geo-  
physical information submitted in sup-  
port of an application for a permit to  
drill a deep stratigraphic test, or  
which the permittee is required to  
obtain in order to conduct the drilling  
of a deep stratigraphic test, at the ear-  
liest of the following times: (i) 10 years  
after completion of the test; or (ii) 60  
calendar days after the issuance of the  
first OCS oil and gas lease within 50  
geographic miles (92.6 kilometers) of  
the site of the completed test.

#### § 251.14-2 Disclosure to Independent con- tractors.

The Director reserves the right to  
disclose any information or data ac-  
quired from a permittee to an inde-  
pendent contractor or agent for the  
purpose of reproducing, processing, re-  
processing, or interpreting such infor-  
mation or data. When practicable, the  
Director shall notify the permittee  
who provided the information or data  
of intent to disclose the information  
or data to an independent contractor  
or agent. The Director's notice of  
intent will afford the permittee a  
period of not less than 5 working days  
within which to comment on the in-  
tended action. When the Director so  
notifies a permittee of the intent to  
disclose information or data to an in-  
dependent contractor or agent, all  
other owners of such information or  
data shall be deemed to have been no-  
tified of the Director's intent. Prior to  
any such disclosure, the contractor or  
agent shall be required to execute a  
written commitment not to transfer or  
to otherwise disclose any information  
or data to anyone without the express  
consent of the Director. The contrac-  
tor or agent shall be liable for any un-  
authorized use by or disclosure of in-  
formation or data to third parties.

#### § 251.14-3 Sharing of information with af- fected States.

(a) At the time of soliciting nomina-  
tions for the leasing of lands within 3  
geographic miles of the seaward  
boundary of any coastal State, the Di-  
rector, pursuant to the provisions of  
§ 252.7(a)(4) and (b) of this chapter  
and sections 8(g) and 28(e) of the Act,

~~HB 41~~  
SAM → Ned

# Kay Brown

Alaska State Legislature  
House of Representatives

HB  
41

MEMORANDUM

TO: Rep. Sam Cotten, Co-Chair  
Rep. Adelheid Hermann, Co-Chair  
House Resources Committee

DATE: Jan. 20, 1987

FROM: Representative Kay Brown

SUBJECT: HB 41

HB 41. An Act relating to the confidentiality of certain oil and gas information, has been referred to the Resources Committee for consideration. Attached please find:

1. Sectional analysis; and

2. Backup information prepared by the Division of Oil and Gas, including a list of wells currently qualified for extended confidentiality and a summary of similar provisions in other states.

I believe the public interest would be served by requiring that oil and gas well logs and data become public after two years. More information in the public record would enhance the prospects of subsequent drillers in the search for new oil and gas fields, and generally promote exploration activity. Competition among bidders in lease sales also should be enhanced.

The provision I am proposing to repeal was added to the statute in 1978 to protect the interests of companies that had drilled in anticipation of the first major Beaufort Sea lease sale, which had been postponed several times. However, the solution enacted went far beyond that one situation and has affected data from wells all over the state. Instability in the state leasing schedule was the primary impetus for the 1978 change instituting extended confidentiality. The state leasing schedule is now much more stable.



Two years of confidentiality for oil and gas well data, as proposed in HB 41, appears to be among the longest periods provided by any state.

As the former Director of Oil and Gas for the Department of Natural Resources, it was my job to evaluate wells proposed for extended confidentiality. The staff and I found the present statute providing extended confidentiality difficult to administer, since many of the terms used are quite vague and are not defined. Elimination of the extended confidentiality provision as proposed in HB 41 would streamline administrative functions of the division.

The only drawback I see is that some of the larger oil companies may oppose the bill, arguing that they will be less likely to invest millions to drill wildcat wells in remote areas if their proprietary interest in the information is not protected until adjacent unleased land has been leased. Companies generally do not like to drill adjacent to unleased acreage, because a discovery means that the value of nearby acreage will be increased and will cost them significantly more to acquire. Also, information controlled by a single company will give that company an advantage over their competitors in a competitive lease sale.

From a public interest perspective, the state's economic interest in leasing oil and gas rights should be enhanced if more information about a lease sale area becomes public before the sale. (If the information is negative, the value of that particular acreage will not be enhanced, but when the information is positive the state's interest would be greatly enhanced.)

I would be happy to discuss the bill at your convenience. I request that a hearing in the Resources Committee be scheduled as soon as possible.

cc: Rep. Koponen

Rep. Sell

House Bill 41 Sectional Analysis

Prepared by Rep. Kay Brown

January 20, 1987

Section 1: Repeals a provision requiring the Commissioner of Natural Resources to provide extended confidentiality for oil and gas well logs and data that contain significant information relating to the valuation of unleased land in the same vicinity.

Under the proposal, all oil and gas well logs and data would become public in two years. HB 41 would return the law to its pre-1978 form. Under present law, oil and gas well logs and data found to contain significant information relating to the valuation of unleased land in the same vicinity must be held confidential until the nearby unleased land has been leased.

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF OIL AND GAS

JAN 20 1987

STEVE COWPER, GOVERNOR

PO. BOX 7034  
ANCHORAGE, ALASKA 99510-7034  
(907)762-4241

January 16, 1987

The Honorable Kay Brown  
Representative  
Alaska Legislature  
P.O. Box V  
Juneau, AK 99811

Dear Representative Brown:

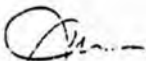
At your request I am sending background information relating to extended confidentiality for exploration wells in Alaska, as well as a compilation of provisions for the confidentiality of well data in other states.

Enclosed are:

1. A list of 15 wells currently qualified for extended confidentiality.
2. A list of 33 wells that were granted extended confidentiality, but that no longer qualify. The data from these wells have been released.
3. The Alaska Oil and Gas Conservation Commission (AOGCC) list of wells that will be released in 1987 and 1988. Based upon a review of these wells, we anticipate receiving approximately 20 new requests for extended confidentiality in the next two years.
4. A list of applicable "Lower 48" statutes and regulations, compiled by Kate Fortney and Pat Jacobs, that apply to well confidentiality. The information was compiled from an Interstate Oil Compact Commission handbook. Although the book indicates that some states provide for extended confidentiality, it fails to indicate that confidentiality may be extended in Alaska. Therefore, this compilation may not be a complete list of provisions for extended confidentiality, nor can I personally vouch for its accuracy.
5. A letter written by Bob LeResche and a memorandum by Tom Cook that demonstrate the vague nature of the existing statute and indicate some of the difficulties arising from applying these provisions.

If you have further questions, please call me or Cass Arey (762-4285).

Sincerely,

  
James E. Eason  
Director

Enclosures

0378c

EXTENDED CONFIDENTIALITY WELLS

Well Name	Other Well Owners/ Lease Owners	Status	Distance From Unleased Lands	Antic. Date Lease Nearby Lands	BTM Hole Location
<u>Icy Cape Area:</u>					
Chevron Akulik	Mobil, ASRC	P & A	Approx. 2 Miles	ASRC, unscheduled	T5S R49W 14 U.M.
Chevron Eagle Ck.	Mobil, ASRC	P & A	Approx. 2.9 Miles	ASRC, unscheduled	T8S R45W 26 U.M.
Union Tungak Ck.	Amoco, ASRC	P & A	Approx. 1.9 Miles	State, unscheduled	T6N R42W 12 U.M.
<u>Gen. Brooks Range:</u>					
Chevron Killik	ASRC	P & A	Approx. 2.9 Miles	ASRC, unscheduled	T12S R10W 8 U.M.
Chevron Tiglukpuk	ASRC	P & A	Approx. 2.9 Miles	ASRC, unscheduled	T12S R2E 15 U.M.
Texaco Tulugak	Chevron, ASRC	P & A	Approx. 2 Miles	ASRC, unscheduled	T5S R3E 26 U.M.
Chevron Cobblestone	ASRC	P & A	Approx. 1.5 Miles	ASRC, unscheduled	T10S R8E 25 U.M.
<u>Cape Halkett/Harrison Bay:</u>					
Chevron Livehorse	ASRC	P & A	Approx. 1 Mile	NPRA, unscheduled (Teshekpuk Lake Area)	T17N R1W 18 U.M.
<u>Near ANWR:</u>					
Mobil Staines R. State	Phillips	Susp.	Approx. 2 Miles	ANWR, unscheduled	T9N R24E 20 U.M.
Phillips N. Staines R.1	Chevron, Mobil	Susp.	Approx. 2 Miles	ANWR, unscheduled	T9N R24E 25 U.M.
Exxon Alaska State G-2	Sohio, BPAE	P & A	Ap. 1 Mi. Sale 50 Ap. 2 Mi. ANWR Ap. 2.5 Mi. OCS	ANWR, unscheduled	T10N R24E 25 U.M.
Exxon Alaska State J-1		P & A	Ap. 2.7 Mi. ANWR	ANWR, unscheduled	T6N R22E 23 U.M.
Union Leffingwell 1	ARCO	P & A	Ap. 0.5 Mile	State Sale 51, 1/87	T8N R22E 25 U.M.
<u>Beaufort Sea:</u>					
Shell BF 47	Amerada Hess	Discovery	Ap. 2.5 Mi. OCS	OCS Sale 97, 1/88	T13N R13E 2 U.M.
<u>Tanana Basin:</u>					
ARCO Totek Hills 1		P & A	Ap. 0.5 Mile	State, unscheduled	T7S R12W 36 F.

Exploratory Wells Previously Qualified  
for Extended Confidentiality

The following are wells that have been granted extended confidentiality, but that no longer qualify. The data from these wells have been released.

<u>Well Name</u>	<u>Date Extended Confidentiality Granted</u>	<u>Date Released</u>
Chevron Jeanette Is. #1	04/12/84	10/31/84
Amoco No Name Is. #1	01/31/84	10/31/84
Chevron Konig #1	08/04/83	08/01/84
Sohio Nechelik #1	04/12/84	06/12/84
Union Cannery Loop #1	05/06/81	11/18/83
Union Cannery Loop #2	11/16/82	11/18/83
Conoco Gwydyr Bay St. #1	09/14/81	06/27/83
Conoco Gwydyr Bay St. #2A	04/20/83	06/27/83
Conoco Milne Pt. #A-1	04/19/82	06/27/83
Mobil Gwydyr Bay St. #1	05/07/82	06/27/83
Union E. Harrison Bay St. #1	12/05/78	06/27/83
Exxon Pt. Thomson #4	11/23/82	03/11/83
ARCO West Sak 25606 #13	03/23/81	10/25/85
ARCO West Beach St. #3	Approx. 6/78	02/09/83
ARCO W. Mikkelsen Unit #2	07/15/81	02/09/83
Sohio Sag Delta #2	04/06/79	02/09/83
Sohio Sag Delta #2A	01/21/80	02/09/83
Sohio Sag Delta #3	04/06/79	02/09/83
Sohio Sag Delta #4	01/21/80	02/09/83
Sohio Niakuk #2A	04/06/79	02/09/83
Sohio Niakuk #3	04/23/81	02/09/83
Sohio Reindeer Island Strat. Test	01/21/80	02/09/83
Gulf Pt. McIntyre #1	10/22/79	02/09/83
Gulf Pt. McIntyre #2	10/22/79	02/09/83
Exxon Pt. Thomson Unit #1	01/03/80	02/09/83
Exxon Pt. Thomson Unit #2	01/03/80	02/09/83
Exxon Pt. Thomson Unit #3	Approx. 6/79	02/09/83
Exxon Duck Island Unit #1	04/22/81	02/09/83
Exxon Duck Island #2	11/25/81	02/09/83
Union Clam Gulch Unit #1	08/12/80	06/03/82
Chevron Pretty Creek Unit #2	03/23/81	06/03/82
Chevron Stump Lake Unit #41-23	06/11/80	06/03/82
Chevron Soldotna Creek Unit #33-33	02/02/79	06/03/82

## ALASKA OIL AND GAS CONSERVATION COMMISSION

RELEASE DATE OF WELL RECORDS,  
BASED ON TWO YEAR CONFIDENTIAL PERIOD

\* Ditch samples and/or core chips will be released also.

\*\* Well data to be held for an indefinite period.

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
ARCO Alaska, Inc.	Kuparuk River Unit #2W-9	01-01-87
Amoco Production Company	MGS State 17595 #15RD	01-02-87
ARCO Alaska, Inc.	Kuparuk River Unit #2X-16	01-02-87
ARCO Alaska, Inc.	Kuparuk River Unit #2E-13	01-03-87
ARCO Alaska, Inc.	Kuparuk River Unit #2X-13	01-05-87
ARCO Alaska, Inc.	Kuparuk River Unit #2X-10	01-06-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 15-9	01-07-87
ARCO Alaska, Inc.	Kuparuk River Unit #2X-15	01-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-10	01-09-87
ARCO Alaska, Inc.	Kuparuk River Unit #2E-12	01-10-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-8	01-12-87
Amoco Production Company	MGS 17595 #27	01-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-6	01-15-87
ARCO Alaska, Inc.	* Kuparuk River Unit #2W-7	01-17-87
ARCO Alaska, Inc.	Kuparuk River Unit #2E-11	01-17-87
ARCO Alaska, Inc.	Kuparuk River Unit #2X-9	01-19-87
Standard Alaska Production Company	Prudhoe Bay Unit #R-24	01-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-5	01-21-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-16	01-22-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-11	01-22-87
ARCO Alaska, Inc.	Kuparuk River Unit #CF-1A	01-23-87
Conoco, Inc.	Milne Point Unit #C-5	01-23-87
ARCO Alaska, Inc.	Kuparuk River Unit #2D-14	01-24-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 17-14	01-25-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-12	01-26-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-12	01-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #2E-10	01-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-12	01-29-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-15	01-31-87
ARCO Alaska, Inc.	Kuparuk River Unit #2D-13	01-31-87
Union Oil Company of California	Kenai Tyonek Unit #KTU 13-5	02-03-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-11	02-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #2X-12	02-07-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-13	02-07-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-13	02-11-87
ARCO Alaska, Inc.	* Kuparuk River Unit #2C-14	02-13-87
ARCO Alaska, Inc.	Kuparuk River Unit #2E-9	02-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-14	02-15-87
Chevron U.S.A. Inc.	* Beluga River Unit #224-23	02-16-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-15	02-17-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-14	02-17-87
Amoco Production Company	* Becharof #1	02-18-87
Conoco, Inc.	Milne Point Unit #CF-2	02-18-87
Conoco, Inc.	Milne Point Unit #C5-A	02-18-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-15	02-22-87
ARCO Alaska, Inc.	Kuparuk River Unit #2W-15	02-22-87

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
Conoco, Inc.	Milne Point Unit #C-6	02-24-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-9	02-26-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-10	02-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #ZW-16	03-01-87
Conoco, Inc.	Milne Point Unit #CFP-1	03-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-16	03-02-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-13	03-05-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-8	03-07-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-1	03-08-87
ARCO Alaska, Inc.	* Kuparuk River Unit #ZW-1	03-10-87
Shell Western E&P Inc.	* BF-57 #1	03-12-87
ARCO Alaska, Inc.	Kuparuk River Unit #ZW-2	03-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-12	03-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-2	03-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-7	03-17-87
Standard Alaska Production Company	* Niakuk #4	03-19-87
Conoco, Inc.	Milne Point Unit #C-8	03-20-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-3	03-21-87
Conoco, Inc.	Milne Point Unit #B-6	03-22-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-11	03-24-87
ARCO Alaska, Inc.	Kuparuk River Unit #ZW-3	03-24-87
ARCO Alaska, Inc.	* ARCO/CIRI Wolf Lake #2	03-25-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-6	03-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-4	03-28-87
ARCO Alaska, Inc.	* Kuparuk River Unit West Sak #26	03-29-87
Union Oil Company of California	Kenai Beluga Unit #KBU 23X-6	03-30-87
ARCO Alaska, Inc.	Kuparuk River Unit #ZW-4	04-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-10	04-02-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-5	04-05-87
Conoco, Inc.	Milne Point Unit #B-10	04-07-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-5	04-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-13	04-10-87
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L2-30	04-10-87
Conoco, Inc.	Milne Point Unit #C-7	04-10-87
Conoco, Inc.	Milne Point Unit #C-10	04-12-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-6	04-13-87
ARCO Alaska, Inc.	Kuparuk River Unit #2C-9	04-13-87
Alaskan Crude Corporation	Burglin #33-1	04-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-4	04-18-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-7	04-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-14	04-22-87
Conoco, Inc.	Milne Point Unit #B-9	04-23-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-7A	04-23-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-9	04-24-87
ARCO Alaska, Inc.	* Brontosaurus #1	04-26-87
Shell Western E&P Inc.	* Middle Ground Shoal #A34-11	04-26-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-8	04-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-15	04-29-87
Conoco, Inc.	Milne Point Unit #B-11	04-30-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-3	05-01-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-27	05-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-9	05-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-10	05-05-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-16	05-07-87
Texaco Inc.	* Colville Delta #1	05-07-87
Conoco, Inc.	Milne Point Unit #C-9	05-08-87

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
Standard Alaska Production Company *	Sag Delta #11	05-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-2	05-11-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-10	05-12-87
Chevron U.S.A. Inc.	Beluga River Unit #232-26	05-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-1	05-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-11	05-15-87
Conoco, Inc.	Milne Point Unit #B-7	05-17-87
Standard Alaska Production Company *	Niakuk #5	05-18-87
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L1-9	05-18-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-11	05-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-2	05-21-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-1	05-24-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-28	05-24-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-12	05-24-87
ARCO Alaska, Inc.	Kuparuk River Unit #2U-12	05-25-87
Texaco Inc.	* Colville Delta #1-A	05-26-87
Conoco, Inc.	Milne Point Unit #C-11	05-26-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-32	05-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-3	05-28-87
Standard Alaska Production Company	Prudhoe Bay Unit #A-35	05/30/87
Conoco, Inc.	Milne Point Unit #B-8	05-31-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-5	06-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-4	06-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-16	06-04-87
Union Oil Company of California	Trading Bay Unit #K-8RD	06-06-87
Conoco, Inc.	Milne Point Unit #C-13	06-07-87
Standard Alaska Production Company	Prudhoe Bay Unit #N-20	06-07-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-13	06-08-87
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L2-28	06-12-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-5	06-12-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-15	06-13-87
Conoco, Inc.	Milne Point Unit #B-12	06-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-6	06-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-14	06-16-87
Standard Alaska Production Company	Prudhoe Bay Unit #A-34	06-17-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-31	06-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-6	06-19-87
Conoco, Inc.	Milne Point Unit #C-14	06-20-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-14	06-21-87
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L1-1	06-22-87
Union Oil Company of California	Trading Bay Unit #D-29RD	06-22-87
Standard Alaska Production Company	Prudhoe Bay Unit #N-21	06-25-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-7	06-26-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-15	06-26-87
Conoco, Inc.	Milne Point Unit #B-13	06-29-87
Conoco, Inc.	Milne Point Unit #C-15	06-30-87
ARCO Alaska, Inc.	Kuparuk River Unit #1Q-13	07-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-8	07-04-87
Standard Alaska Production Company	Prudhoe Bay Unit #A-34A	07-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #2V-16	07-05-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-7	07-06-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-30	07-09-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-16	07-10-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-9	07-11-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-13	07-12-87
Conoco, Inc.	Milne Point Unit #B-14	07-15-87

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
Conoco, Inc.	Milne Point Unit #C-16	07-15-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-8	07-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-12	07-17-87
Standard Alaska Production Company	Prudhoe Bay Unit #N-22	07-17-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-10	07-18-87
ARCO Alaska, Inc.	* Kuparuk River Unit #2Z-15	07-20-87
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L2-24	07-22-87
ARCC Alaska, Inc.	Kuparuk River Unit #3C-11	07-25-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-8	07-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-11	07-27-87
Conoco, Inc.	Milne Point Unit #B-15	07-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-14	07-29-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-9	07-30-87
Conoco, Inc.	Milne Point Unit #C-12	07-31-87
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L1-10	08-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-10	08-02-87
ARCO Alaska, Inc.	Kuparuk River Unit #3B-12	08-03-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-13	08-06-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-10	08-07-87
Conoco, Inc.	Milne Point Unit #B-16	08-08-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-11	08-10-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-9	08-11-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-11	08-14-87
Standard Alaska Production Company	Prudhoe Bay Unit #A-31	08-18-87
ARCO Alaska, Inc.	Kuparuk River Unit #2A-13	08-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-12	08-20-87
Shell Western E & P, Inc.	* OCS Y-180 #1	08-20-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-12	08-20-87
Conoco, Inc.	Milne Point Unit #B-5A	08-21-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-8	08-23-87
Standard Alaska Production Company	Prudhoe Bay Unit #N-4A	08-23-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-13	08-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-11	08-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #2A-14	08-29-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-7	08-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-10	08-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-14	08-06-87
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L2-20	08-06-87
ARCO Alaska, Inc.	Kuparuk River Unit #2A-15	08-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-9	08-11-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-5	08-11-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-15	08-12-87
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L1-14	08-14-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-16	08-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #2A-16	08-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #WSP-20	08-22-87
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-9	08-22-87
ARCO Alaska, Inc.	Kuparuk River Unit #3J-1	08-23-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-1	08-26-87
ARCO Alaska, Inc.	* Kuparuk River Unit #3C-4	08-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-1	10-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #3J-2	10-03-87
Conoco, Inc.	Milne Point Unit #E-2	10-03-87
Standard Alaska Production Company	Prudhoe Bay Unit #A-33	10-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-2	10-05-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-3	10-07-87

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
ARCO Alaska, Inc.	Kuparuk River Unit #3A-2	10-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #3J-3	10-10-87
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L1-2	10-10-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-3	10-11-87
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L2-26	10-11-87
Conoco, Inc.	Milne Point Unit #B-17	10-15-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-3	10-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-2	10-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #1R-4	10-18-87
ARCO Alaska, Inc.	Kuparuk River Unit #3J-4	10-18-87
Conoco, Inc.	Milne Point Unit #A-2A	10-20-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-4	10-23-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-1	10-25-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-1	10-25-87
ARCO Alaska, Inc.	Kuparuk River Unit #3J-5	10-26-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-16	10-31-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-2	11-02-87
Conoco, Inc.	Milne Point Unit #B-18	11-03-87
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L3-5	11-05-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-15	11-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-3	11-08-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-5	11-12-87
Standard Alaska Production Company	Prudhoe Bay Unit #K-8	11-12-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-4	11-13-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-14	11-16-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-6	11-18-87
Union Oil Company of California	Trading Bay Unit #D-44	11-18-87
Conoco, Inc.	Milne Point Unit #B-19	11-19-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-5	11-20-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-7	11-24-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-6	11-27-87
ARCO Alaska, Inc.	Kuparuk River Unit #3C-13	11-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #2A-8	11-30-87
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L3-11	12-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-8	12-01-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-7	12-04-87
ARCO Alaska, Inc.	Kuparuk River Unit #2H-12	12-10-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-10	12-10-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-8	12-11-87
Amoco Production Company	Middle Ground Shoal 17595 #20	12-11-87
ARCO Alaska, Inc.	Kuparuk River Unit #2H-11	12-17-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-11	12-17-87
Conoco Inc.	Milne Point Unit #C-18	12-17-87
ARCO Alaska, Inc.	Kuparuk River Unit 3F-9	12-18-87
Standard Alaska Production Company	Prudhoe Bay Unit #K-5	12-19-87
Standard Alaska Production Company	Prudhoe Bay Unit #JX-2	12-22-87
ARCO Alaska, Inc.	Kuparuk River Unit #2H-10	12-25-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-12	12-25-87
Chevron U.S.A. Inc.	Beluga River Unit #232-9	12-25-87
Shell Western E & P Inc.	* Middle Ground Shoal #A 41-11	12-28-87
ARCO Alaska, Inc.	Kuparuk River Unit #3F-10	12-29-87
ARCO Alaska, Inc.	Kuparuk River Unit #3A-13	01-01-88
ARCO Alaska, Inc.	Kuparuk River Unit #2H-9	01-02-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L3-15	01-04-88
ARCO Alaska, Inc.	Kuparuk River Unit #3F-11	01-05-88

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
Conoco, Inc.	Milne Point Unit #C-17	01-07-88
Shell Western E&P, Inc.	* Middle Ground Shoal #A 22-14	01-08-88
ARCO Alaska, Inc.	Kuparuk River Unit #3A-14	01-10-88
ARCO Alaska, Inc.	Kuparuk River Unit #2H-8	01-11-88
ARCO Alaska, Inc.	Kuparuk River Unit #3F-12	01-11-88
ARCO Alaska, Inc.	Kuparuk River Unit #3A-15	01-17-88
ARCO Alaska, Inc.	Kuparuk River Unit #2H-7	01-19-88
ARCO Alaska, Inc.	Kuparuk River Unit #3F-13	01-19-88
Chevron U.S.A. Inc.	Soldotna Creek Unit #21B-16	01-23-88
ARCO Alaska, Inc.	Kuparuk River Unit #3F-14	01-24-88
ARCO Alaska, Inc.	Kuparuk River Unit #3A-16	01-25-88
Unocal	Trading Bay Unit #D-43	01-25-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L3-19	01-26-88
Conoco, Inc.	Milne Point Unit #C-19	01-27-88
ARCO Alaska, Inc.	Kuparuk River Unit #2H-6	01-28-88
ARCO Alaska, Inc.	Kuparuk River Unit #3F-15	01-31-88
ARCO Alaska, Inc.	Kuparuk River Unit #2H-5	02-06-88
ARCO Alaska, Inc.	Kuparuk River Unit #3F-16	02-08-88
Amoco Production Company	* Granite Point State 18742 #35	02-13-88
Conoco, Inc.	Milne Point Unit #B-22	02-13-88
Amerada Hess Corporation	Northstar #1	02-14-88
ARCO Alaska, Inc.	Kuparuk River Unit #2A-12	02-18-88
Conoco, Inc.	Milne Point Unit #B-20	02-26-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-2	02-27-88
ARCO Alaska, Inc.	Kuparuk River Unit #2A-11	03-01-88
Standard Alaska Production Company	Prudhoe Bay Unit #R-26	03-04-88
ARCO Alaska, Inc.	Kuparuk River Unit #2A-10	03-10-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L3-23	03-12-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L2-25	03-13-88
Conoco, Inc.	Milne Point Unit #B-21	03-21-88
Union Oil Company of California	Trading Bay Unit #D-43RD	04-02-88
Amerada Hess Corporation	* Colville Delta 25-13-6 #1	04-03-88
ARCO Alaska, Inc.	Kuparuk River Unit Winter Trails #1	04-06-88
Standard Alaska Production Company	Prudhoe Bay Unit #B-30	04-06-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-8	04-14-88
Texaco, Inc.	Colville Delta #2	04-15-88
Union Oil Company of California	Trading Bay Unit #K-25	04-16-88
Union Oil Company of California	Kenai Beluga Unit #33-7	04-19-88
Amoco Production Company	Granite Point State 18742 #36	04-20-88
Standard Alaska Production Company	Niakuk #6	04-24-88
Texaco, Inc.	Colville Delta #3	04-30-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L2-3	05-05-88
Chevron U.S.A. Inc.	Beluga River Unit #211-3	05-05-88
Amerada Hess Corporation	Northstar #2	05-06-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 11-10	05-07-88
ARCO Alaska, Inc.	* Prudhoe Bay Unit/Lisburne #L2-13	05-08-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 3-31	05-09-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 3-32	05-12-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 3-34	05-12-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 3-33	05-13-88
ARCO Alaska, Inc.	Kuparuk River Unit 3I-15	05-15-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L2-21	05-17-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-1	05-18-88
ARCO Alaska, Inc.	Kuparuk River Unit #2A-9	05-18-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-2A	05-19-88

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
ARCO Alaska, Inc.	Kuparuk River Unit #3J-6	05-21-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-7	05-21-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L2-33	05-21-88
Chevron U.S.A. Inc.	KIC #1	05-24-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L2-29	05-25-88
Standard Alaska Production Company	Prudhoe Bay Unit #U-10	05-26-88
Standard Alaska Production Company	Prudhoe Bay Unit #Y-21	05-27-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-15	05-31-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-13	05-31-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-16	05-31-88
Amoco Production Company	Middle Ground Shoal 17595 #17	06-01-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #LGI-12	06-01-88
Standard Alaska Production Company	Prudhoe Bay Unit #A-30	06-02-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L3-31	06-02-88
Standard Alaska Production Company	Prudhoe Bay Unit #F-23	06-05-88
Chevron U.S.A. Inc.	Beluga River Unit #224-34	06-06-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-11	06-07-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-12	06-09-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-14	06-09-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-10	06-10-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 17-11	06-10-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 17-12	06-10-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 17-13	06-10-88
Union Oil Company of California	Trading Bay State #A-3RD	06-13-88
Standard Alaska Production Company	Prudhoe Bay Unit #U-11	06-15-88
Standard Alaska Production Company	Prudhoe Bay Unit #H-27	06-16-88
ARCO Alaska, Inc.	Kuparuk River Unit #2Z-WS#1	06-17-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-9	06-24-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-3	06-26-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-4	06-26-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-14	06-27-88
Standard Alaska Production Company	Prudhoe Bay Unit #U-12	06-29-88
Standard Alaska Production Company	Prudhoe Bay Unit #Y-20	06-30-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-30	07-07-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-7	07-07-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-8A	07-07-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-31	07-08-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-29	07-08-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-5	07-09-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-6	07-09-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-35	07-10-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-32	07-11-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-33	07-11-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-34	07-11-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-36	07-12-88
Standard Alaska Production Company	Prudhoe Bay Unit #N-11A	07-12-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 9-24	07-14-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-8	07-15-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-17	07-18-88
Standard Alaska Production Company	Prudhoe Bay Unit #A-32	07-20-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-1	07-21-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-2	07-21-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-3	07-22-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-4	07-22-88
Standard Alaska Production Company	Prudhoe Bay Unit #H-24	07-22-88
Standard Alaska Production Company	Prudhoe Bay Unit #H-25	07-22-88

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-15	07-23-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-5	07-24-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-7	07-24-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-8	07-24-88
ARCO Alaska, Inc.	Kuparuk River Unit #3I-12	07-30-88
Standard Alaska Production Company	Duck Island Unit/Endicott #P-18MPI	08-01-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-12	08-06-88
Standard Alaska Production Company	Duck Island Unit/Endicott #O-20MPI	08-08-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 18-5	08-08-88
Standard Alaska Production Company	Prudhoe Bay Unit #S-12A	08-09-88
Standard Alaska Production Company	Prudhoe Bay Unit #B-29	08-10-88
Chevron U.S.A. Inc.	Beluga River Unit #224-23	08-15-88
Standard Alaska Production Company	Prudhoe Bay Unit #B-27	08-18-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-22	08-20-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-24	08-20-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-27	08-20-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-28	08-20-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-21	08-20-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-18	08-20-88
Chevron U.S.A. Inc.	Beluga River Unit #BRWD-1	08-25-88
Standard Alaska Production Company	Prudhoe Bay Unit #D-25	08-26-88
Standard Alaska Production Company	Prudhoe Bay Unit #D-24	08-27-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-7	08-29-88
Standard Alaska Production Company	Prudhoe Bay Unit #D-26	08-29-88
Standard Alaska Production Company	Duck Island Unit/Endicott #M-19MPI	08-30-88
Standard Alaska Production Company	Duck Island Unit/Endicott #Q-35SDI	08-30-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-17	09-10-88
Standard Alaska Production Company	Prudhoe Bay Unit #H-21	09-10-88
Standard Alaska Production Company	Prudhoe Bay Unit #H-22	09-11-88
Standard Alaska Production Company	Prudhoe Bay Unit #D-27	09-12-88
Standard Alaska Production Company	Prudhoe Bay Unit #D-29	09-12-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-9	09-13-88
Standard Alaska Production Company	Prudhoe Bay Unit #C-32	09-13-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-10	09-14-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-11	09-14-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-12	09-14-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 18-9	09-16-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-13	09-17-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-14	09-17-88
Standard Alaska Production Company	Duck Island Unit/Endicott #O-29SDI	09-18-88
Standard Alaska Production Company	Prudhoe Bay Unit #C-29	09-18-88
Standard Alaska Production Company	Prudhoe Bay Unit #C-35	09-19-88
ARCO Alaska, Inc.	Kuparuk River Unit #3K-5	09-19-88
Standard Alaska Production Company	Prudhoe Bay Unit #C-38	09-20-88
Chevron U.S.A. Inc.	Pretty Creek Unit #224-28	09-22-88
ARCO Alaska, Inc.	Kuparuk River Unit #3K-4	09-22-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-21	09-23-88
Standard Alaska Production Company	Prudhoe Bay Unit #T-1	09-23-88
ARCO Alaska, Inc.	Kuparuk River Unit #3K-1	09-25-88
ARCO Alaska, Inc.	Kuparuk River Unit #3K-2	09-26-88
ARCO Alaska, Inc.	Kuparuk River Unit #3K-4	09-27-88
Standard Alaska Production Company	Prudhoe Bay Unit #G-19	09-28-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-16	10-01-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-21	10-02-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #PWDW LPC-1	10-03-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-13	10-03-88

<u>Operator</u>	<u>Well Name and Number</u>	<u>Release Date</u>
ARCO Alaska, Inc.	Kuparuk River Unit #3N-15	10-06-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-17	10-06-88
Standard Alaska Production Company	Prudhoe Bay Unit #Y-22	10-06-88
ARCO Alaska, Inc.	Kuparuk River Unit #3N-18	10-07-88
Standard Alaska Production Company	Prudhoe Bay Unit #M-25	10-07-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-17	10-07-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-24	10-08-88
ARCO Alaska, Inc.	Kuparuk River Unit #3J-9	10-09-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-10	10-10-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-18	10-11-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-16	10-18-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-33	10-26-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 16-19	10-29-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-12A	10-31-88
ARCO Alaska, Inc.	Prudhoe Bay Unit #DS 4-25	11-01-88
Standard Alaska Production Company	Prudhoe Bay Unit #F-20	11-04-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-14	11-04-88
Standard Alaska Production Company	Prudhoe Bay Unit #R-27	11-05-88
Standard Alaska Production Company	Prudhoe Bay Unit #R-26A	11-06-88
Standard Alaska Production Company	Prudhoe Bay Unit #Y-23	11-08-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-15	11-08-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-11	11-11-88
Standard Alaska Production Company	Prudhoe Bay Unit #B-28	11-12-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-9	11-12-88
Standard Alaska Production Company	Duck Island Unit/Endicott #T-34SDI	11-12-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-6	11-14-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-5	11-15-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-3	11-16-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #LGI-10	11-17-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #LGI-8	11-22-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-4	11-22-88
Standard Alaska Production Company	Prudhoe Bay Unit #G-29	11-25-88
Standard Alaska Production Company	Prudhoe Bay Unit #Y-24	11-27-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #LGI-6	11-29-88
ARCO Alaska, Inc.	Kuparuk River Unit #2T-7	11-30-88
ARCO Alaska, Inc.	Prudhoe Bay Unit/Lisburne #L5-24	12-04-88
Standard Alaska Production Company	Prudhoe Bay Unit #G-30	12-13-88
Standard Alaska Production Company	Prudhoe Bay Unit #G-32	12-16-88
Standard Alaska Production Company	Prudhoe Bay Unit #D-28	12-29-88

Statutes and Regulations Regarding Well Confidentiality  
for the Other 49 States

<u>State</u>	<u>Summary of Confidential Time Period Regulations</u>
Alabama	S9-17-6(4) Six months from completion of well (must submit reports by that time).
Arizona	Six months. Rule R12-7-121B.
Arkansas	Maximum of 90 days from completion date.
California	If requested. (Section 3234) Not to exceed two years for onshore exploratory wells and not to exceed five years for offshore exploratory wells. Period may be extended for exploratory and offshore wells upon a showing of extenuating circumstances. Development wells may be granted confidential status if the supervisor determines there are extenuating circumstances.
Colorado	S34-60-106 If requested, for six months after drilling.
Connecticut	N/A*.
Delaware	N/A.
Florida	Six months, or 18 months with hardship plea.
Georgia	S43-707(16) Six months or longer.
Hawaii	S182-6 Indefinitely, unless application for a mining lease is not made within 6 months of receipt by Board (which is required upon termination of the exploration permit.)
Idaho	One year upon request of operator.
Illinois	Three months - S5409. One year, if requested.
Indiana	S(13-4-7-17)-1(D) None automatic. For geological or structure test wells and geophysical tests, maximum of two years from date of issue of drilling permit upon written request. For all other records, if requested, one year from date of well completion.
Iowa	S84.4 Six months.
Kansas	One year upon request. May be extended one year.
Kentucky	Upon request, for one year maximum.

\*N/A - Update of 12/86 shows no relevant statutes yet in effect.

Louisiana	Upon written request; (Act 4 of the Extraordinary Session of 1973) wells shallower than 15,000 feet--one year with a one-year extension; Act 691 of the Regular Session of 1979--offshore logs, upon written request--two years with a two-year extension.
Maine	S549-B (13) - Annual Report kept confidential indefinitely pursuant to Title 1, Section 408.
Maryland	No automatic time period. Reports required in 30 days. They can be held confidential at the specific request of the operator.
Massachusetts	N/A.
Michigan	S319.6 (d) and R299.1311 provide for 90 days after completion of drilling upon written request.
Minnesota	N/A.
Mississippi	S53-1-33 - Thirty days after completion of well. Other regulations - for six months if so requested. Eighteen months for stratigraphic tests.
Missouri	S259.070 (c) - six months. Other - one year if requested.
Montana	S82-11-123 (2) - Six months following completion for exploratory and wildcat wells; S82-11-125(2) - three years following completion for stratigraphic tests.
Nebraska	S57-905 (3)(i) - for 12 months upon written request.
Nevada	S38.28A, Ch. 522, 522.040(2) - six months for exploratory or "wildcat" wells; other - may be extended for a series of wells.
New Hampshire	N/A.
New Jersey	N/A.
New Mexico	Ninety days if requested.
New York	Logs kept confidential upon request and upon provision of substantiation for confidentiality acceptable to the Department.
North Carolina	For one year upon request of operator. Extensions of this confidentiality are allowed up to a maximum of 1 year at the discretion of the Department.
North Dakota	S38-08-04 (6) - six months if requested.
Ohio	S2509.10 - six months after completion; longer if granted by the Chief of the Division of Oil & Gas in writing.

Oklahoma	Held confidential for one year only if filed within 60 days after completion of log; optional six months' extension.
Oregon	S520.095 (2) - two years after completion. May be extended by State Geologist for time considered reasonable to protect economic interests of lessee.
Pennsylvania	One year for annual reports, which may be extended for four years.
Rhode Island	N/A.
South Carolina	S405. (c)(1)(ii) - twelve months after completion of well except for logs required under "Gas Operations Well - Drilling Petroleum and Coal Mining Act".
South Dakota	Six months, if requested in writing.
Tennessee	Six months from date of drilling to total depth upon written request of permittee (1040-2-10-.05).
Texas	No. On request, one 6-month extension of the time limit for the filing of a log with discovery application may be granted for good cause.
Utah	S40-60-4 (1)(b) - six months on request.
Vermont	S505 (b)(2) - two years on request with an additional year's extension with proof of special circumstances.
Virginia	Rule 15, Sec. 45.1-113. Test wells for one year - maximum of three years; other data for 90 days. S45.1-332 - two years for an exploratory well if certified as such in writing.
Washington	S78.52.260 - twelve months for exploratory well data if requested at time of filing.
West Virginia	One year, additionally to three total years for good cause.
Wisconsin	N/A.
Wyoming	S30-5-104 - for six months if requested.

#### SOURCES

Interstate Oil Compact Commission. Summary of State Statutes and Regulations for Oil and Gas Production. 1986

Myers, Raymond M. The Law of Pooling and Unitization, Voluntary - Compulsory. Volumes 2 & 3, Rev. December, 1986.

Draft

January 29, 1980

Jeff Haynes

Signed copy must be sent to Hamilton today, otherwise data will be released 8:00 am tomorrow.

T Cook

Mr. W. C. Lenz  
Division Manager  
Land Department  
TEXACO, INC.  
P. O. Box 3756  
Los Angeles, CA 90051

Re: Request for Confidentiality of Well  
Data Pursuant to AS 31.05.035(c):  
Tulugak Well #1, Arctic Slope, Alaska

Dear Mr. Lenz:

By letters dated October 31, 1978, and February 7, 1979, Texaco requested that all well data and information submitted to the State of Alaska for the Tulugak Well #1 be held confidential indefinitely pursuant to AS 31.05.035(c) as amended by HB 815.

Texaco's request poses two problems:

1. The request that well data and information be held confidential indefinitely, and
2. The fact that the well was drilled on private (native) land.

In my judgment, the amended statute is intended to apply to wells drilled on state lands. Further, I do not believe that the statute was amended to provide for an indefinite period of confidentiality.

A professional of the staff of the Division of Minerals and Energy Management has examined the well data which was made available by Mr. Don Hartman of Texaco. I am advised that these data, logs, and reports are significant to the valuation of unleased native lands in the vicinity of the Tulugak No. 1 Well.

Since the statute is unclear as to its applicability to private land, I am requesting that the Alaska Oil and Gas Conservation Commission hold the Tulugak No. 1 well data confidential until the law is clarified and regulations adopted to implement AS 31.05.035(c) as amended by HB 815.

Sincerely,

Robert E. LeResche  
Commissioner

cc: Hoyle H. Hamilton, Chairman  
Alaska Oil and Gas  
Conservation Commission  
Thomas Cook, DMEM  
Don Hartman, Texaco

REL/TC/cm

Fred Boness  
Deputy Commissioner

November 22, 1978

Tom Cook, Director Minerals  
and Energy Management

Chevron's Request for Confidentiality  
Treatment of Well Data Pursuant to  
AS 31.035(c)

Chevron's request for an indefinite extension of confidentiality of well data pursuant to AS 31.035(c) (as amended by H.B. 815) serves to demonstrate the difficulty in applying the amended language in a reasonable way. I fully concur with Hoyle Hamilton's comments in his memo to you of November 3, 1978.

The language of AS 31.035(c) as amended raises the following questions as noted by Hoyle:

1. What is "significant information"? Virtually any information gained from drilling could be considered "significant" in assessing adjacent acreage.
2. What is included in the category of "unleased land"? A literal interpretation of this phrase would necessarily include any unleased acreage whether state, federal, or private.
3. What is meant by "same vicinity"? This could mean unleased acreage abutting the lease operation in question or it could include unleased lands separated from the lease operation by lands under lease. It could even be argued that unleased lands at quite a distance (several miles) from the lease operation are in the same vicinity.
4. What is intended by the phrase "a reasonable time"? I would take this to mean until after the disposition of "unleased land in the same vicinity", but we will have problems in applying such vague language.
5. Does the phrase "all affected unleased land" literally mean "all"? The problems with this language are obvious. One unleased tract in a sale area could impose a "forever" condition for confidential treatment.

I believe that the problems associated with AS 31.035(c) (as amended) are so great that the section will have to be clarified by legislation. In any case, regulations will have to be carefully written to lend some definition to the meaning of AS 31.035(c). We are undertaking the job of developing regulations to implement AS 31.035(c), but I am not enthusiastic about the task given the present language.

# STATE OF ALASKA

STEVE COWPER, GOVERNOR

## DEPARTMENT OF NATURAL RESOURCES

OFFICE OF THE COMMISSIONER

400 WILLOUGHBY AVE.  
JUNEAU, ALASKA 99801  
PHONE: (907) 465-2400

January 28, 1987

The Honorable Sam Cotten, Co-Chairman  
The Honorable Adelheid Herrman, Co-Chairwoman  
House Resources Committee  
Alaska State Legislature  
Post Office Box V  
Juneau, Alaska 99811

Dear Representatives Cotten and Herrman:

Subject: House Bill 41, which would eliminate a requirement that the Commissioner of Natural Resources extend the period of confidentiality for oil and gas well data when the data contain significant information relating to the value of unleased land in the same vicinity.

Response: On balance, the department supports the bill. In our judgement, removing the provision for extended confidentiality would encourage expedited exploration of state lands, and would result in increased competition for oil and gas leases.

Background: The provision being eliminated by this bill was originally adopted in recognition of specific delays contemplated as a result of litigation surrounding the joint Federal/State Beaufort Sea Sale in 1979. Because of these potential lengthy delays, and the fact that numerous operators had drilled exploratory wells adjacent to the sale area in anticipation of the lease sale, the provision was adopted to provide extended confidentiality to the data pending resolution of the litigation and issuance of the leases.

Discussion: The two-year period of confidentiality will still apply. In the department's judgement, the two-year period successfully balances the proprietary interests of the oil companies to keep well data confidential, and the public interest in making available as much information as possible on the state's oil and gas resources.

Removing the provision is also more in keeping with the confidentiality provisions of other oil producing states.

From the oil industry's perspective, it appears to

Representative Cotton  
Representative Herrman

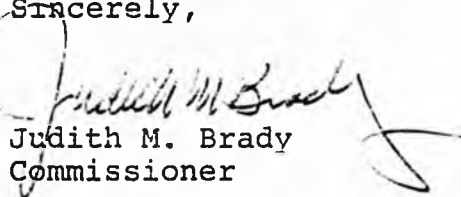
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January 29, 1987

the department that the extended well confidentiality provision works to their advantage in some cases, and to their disadvantage in others. While companies often want to keep their own data confidential, they would like to have their competitor's data released as soon as possible. This sort of conflict is best resolved by repeal of this provision, which will guarantee that all parties have timely access to the well data.

If you would like additional information or have any questions, please contact my office or James Eason, Director of the Division of Oil and Gas (762-4241).

Sincerely,



Judith M. Brady  
Commissioner

cc: Committee Members  
Commissioner Chat Chatterton  
Director James Eason

H O U S E   B I L L   4 1

E X T E N D E D   T E S T I M O N Y   O F

S T E P H E N   M .   E L L I S

submitted on behalf of

C H E V R O N   U . S . A .   I N C .

House Resources Committee Hearing  
February 18, 1987