



LAWS OF ALASKA

1970

Source

Chapter No.

HB 793

208

AN ACT

Relating to leases on mineral lands; and providing for an effective date.

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

* Section 1. AS 38.05.140(d) is amended to read:

(d) The commissioner, for the purpose of encouraging the greatest ultimate recovery of coal, oil, gas, oil shale, phosphate, sodium, potassium, and sulphur, and in the interest of conservation of natural resources, after public hearing, or, when the state's title to land beneath navigable waters has been legally challenged by the United States and litigation initiated, may waive, suspend, refund, or reduce the rental, or minimum royalty, or reduce the royalty on an entire leasehold, or on any tract or portion of a leasehold segregated for royalty purposes, whenever in his judgment it is necessary to do so in order to promote development, or whenever in his judgment the lease cannot be successfully operated under its terms. If the commissioner, in the interest of conservation, directs or assents to the suspension of operations and production under a lease granted, the payment of acreage rental or of minimum royalty prescribed by the lease may be suspended during the period of suspension of operations and production. The term of the lease shall be extended by adding the period of suspension to the lease.

* Sec. 2. AS 38.05.140 is amended by adding a new subsection to read:

(e) The provisions of (d) of this section that apply to waiver, suspension, refund or reduction of rental or minimum royalty shall apply to rental or minimum royalty paid before or after the effective date of this Act on any lease covering land beneath navigable waters which,

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according to the records of the division of lands, is in effect on the effective date of this Act.

* Sec. 3. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.