

STATE OF ALASKA
THE LEGISLATURE

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Legislative
Resolve No.

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Urging the Attorney General of the State of Alaska to use every appropriate resource and due diligence to defend the state's interests in the civil action filed against the state challenging the 1996 revisions of the Northstar unit leases, and respectfully requesting the Superior Court of the State of Alaska to give expeditious consideration to the matter.

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

WHEREAS a majority of Alaskans support safe and responsible oil development in the state and the jobs it creates for Alaskans; and

WHEREAS development of other oil fields in Alaska has resulted in thousands of jobs throughout this state and the United States; and

WHEREAS Prudhoe Bay production is declining by approximately 10 percent a year; and

WHEREAS Alaskans recognize that oil production from the North Slope is declining and new development is needed to create new jobs in the state and to bring additional revenue to the state; and

WHEREAS the commissioner of natural resources negotiated revisions to existing Northstar unit leases between the state and BP Exploration (Alaska), Inc.; the lease revisions have the effect of expediting the development of the Northstar field and ensure oil production under a new payment system; and

WHEREAS, last year, the legislature overwhelmingly approved legislation, ch. 139, SLA

1996, authorizing the commissioner of natural resources to revise the Northstar unit oil and gas leases; and

WHEREAS the legislature and British Petroleum, the lessee's parent company, have acknowledged the importance of a strong commitment to Alaska-hire, Alaska-build, and Alaska-buy in the development of the Northstar field; and

WHEREAS British Petroleum, honoring its voluntary commitments, has already hired many residents and companies holding state business licenses; and

WHEREAS a civil action was recently filed in the superior court challenging the 1996 revisions of the Northstar unit leases; and

WHEREAS, in response to dislocations arising from the filing of the court challenge, the Attorney General has publicly commented that the state has asked the court to expedite consideration and resolution of the litigation; and

WHEREAS the legislature recognizes the grave effects this challenge to the revisions of the Northstar leases are having on the development of the Northstar field and the potential effect this challenge may have on Alaska's future resource development policy;

BE IT RESOLVED that the Alaska State Legislature urges the Attorney General of the State of Alaska to use every appropriate resource and due diligence to defend the state's interests in this civil action challenging the 1996 amendment of the Northstar unit leases; and
be it

FURTHER RESOLVED that the legislature respectfully requests the Superior Court in which this litigation is filed and scheduled for hearing to expedite consideration of the pending litigation.