



25th ALASKA STATE LEGISLATURE

SENATE REPUBLICAN CAUCUS

SENATOR GENE THERRIAULT, MINORITY LEADER
STATE CAPITOL, ROOM 427, 465-4797 (FAX 465-3884)

SENATOR CON BUNDE
SENATOR FRED DYSON
SENATOR TOM WAGONER
SENATOR GARY WILKEN

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Fact Sheet

Senate Concurrent Resolution: Number not assigned yet

Sponsors: Senator Gene Therriault, Senator Tom Wagoner, Senator Fred Dyson, Senator Gary Wilken

Contact: Heather Brakes, 465-4797

Summary:

- Asks the governor and the attorney general to allocate adequate resources and take all steps necessary to expedite the court's consideration of ExxonMobil Corporation's appeal of the final decision by the Commissioner of the Department of Natural Resources to deny ExxonMobil's proposed plan to develop the Point Thomson Unit, and to terminate the Point Thomson unit.

Benefits:

- Expediting resolution of the appeal furthers the policy set out in art. VIII, sec. 1, of Alaska's Constitution to encourage the development of its resources by making them available for maximum use consistent with the public interest.
- Benefits the people of the state by advancing development of the oil and gas resources within the Point Thomson Unit.

Background:

- On October 27, 2005, the director of the State Division of Oil and Gas rejected the Twenty-second plan of development from operator ExxonMobil Production, and found the Point Thomson unit in default for lack of an approved plan of development. On November 27, 2006, the commissioner of the Department of Natural Resources terminated the unit.

ExxonMobil, as the operator of the unit and as a lessee, along with BP Exploration, Chevron U.S.A. and ConocoPhillips Alaska, Inc., are appealing the commissioner's November 27, 2006 decision and the December 27, 2006 denial of reconsideration to Superior Court.

The Point Thomson unit covers 45 state oil and gas leases on approximately 106,000 acres of state land just west of the Arctic National Wildlife Refuge. It holds an estimated 200 million to 300 million barrels of oil and natural gas condensates, and 8 trillion to 9 trillion cubic feet of natural gas.