



Alaska State Legislature

Senate Republican Minority

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Sponsor: Senator Tom Wagoner, Senator Gene Therriault
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Bill Version: SB 26

Fact Sheet for: Senate Bill 26

Short Title: COURT JURISDICTION RE: OIL/GAS LEASE

Summary:

- Transfers judicial review of a final decision by the commissioner of the Department of Natural Resources approving termination of an oil or gas lease to the Alaska Supreme Court.

Benefits:

- Saves time by reducing the length of the appeal process by bypassing the Superior Court and sending an appeal straight to the Alaska Supreme Court.

Background:

- On October 27, 2005, the director of the State Division of Oil and Gas rejected a 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 State terminated the unit.

ExxonMobil is appealing a decision by the Commissioner of the Department of Natural Resources that affirms denial of the proposed plans. The appeal is currently in Alaska Superior Court. SB 26 transfers jurisdiction of appeals under this circumstance to the Alaska Supreme Court.

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