

ADDITIONAL REGULATION NOTICE INFORMATION

1. Adopting agency: Alaska Department of Natural Resources, Division of Oil and Gas
2. General subject of regulation: Production tax lease allowance, exploration incentive credit, and administrative updates
3. Citation of regulation: 11 AAC 03.040, 11 AAC 83.241, 11 AAC 83.245, 11 AAC 83.250, 11 AAC 83.255, 11 AAC 83.290, and 11 AAC Ch. 89
4. Department of Law file number, if any: JU2016200840
5. Reason for the proposed action:
  - Compliance with federal law or action: None
  - Compliance with new or changed state statute: Ch. 4, 4 SSLA 2016 amended AS 43.55.023(b)(2), AS 43.55.160(f) and (g), and repealed AS 38.05.180(i), AS 41.09.010, AS 41.09.020, AS 41.09.030, and AS 41.09.090.
  - Compliance with federal or state court decision: None
  - Development of program standards
  - Other: To revise the calculation of the production tax lease allowance, update the addresses and contact information for the Department of Natural Resources, and provide for electronic mail notification to the Royalty Board
6. Appropriation/Allocation: None
7. Estimated annual cost to comply with the proposed action to:
  - A private person: The department is not able to make a numeric estimate based on information available to it. However, the department does not expect that any private person would incur additional costs beyond re-programming of computer systems that may be necessary to comply with the proposed regulations.
  - Another state agency: No additional compliance cost
  - A municipality: None
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY 2017	Subsequent Years
Operating Cost	\$0	\$0
Capital Cost	\$0	\$0
1002 Federal Receipts	\$0	\$0
1003 General Fund Match	\$0	\$0
1004 General Fund	\$0	\$0

1005	General Fund/Program	\$0	\$0
Other		\$0	\$0

9. The name of the contact person for the regulation:

Name: Jim Shine

Title: Commercial Section Manager

Address: 550 West 7<sup>th</sup> Avenue, Suite 1100, Anchorage, Alaska, 99501-3563

Telephone: (907) 269-8800

E-mail address: jim.shine@alaska.gov

10. The origin of the proposed action:

Staff of state agency

Federal government

General public

Petition for regulation change

Other

11. Date: 02/13/17

Prepared by: 

Name: Jhonny Meza

Title: Commercial Analyst

Telephone: (907) 269-8774