

# MEMORANDUM

# State of Alaska

TO: Mr. Harold Cameron  
 Right of Way Agent  
 2309 Peger Rd.  
 Fairbanks, Alaska 99701

*Lee*

DATE: July 24, 1978

FILE NO:

TELEPHONE NO:

FROM: Mr. Gary Vancil  
 Assistant Attorney General  
 604 Barnette St.  
 Fairbanks, Alaska 99701

SUBJECT: State Pipeline Lands

This Opinion may be of interest to you if you ever need to know how much land the State owns in the neighborhood of the pipeline. The Pipeline Right of Way Lease between the State and Alyeska provides most of that information in paragraphs I(d)(ii), and I(e), and 15. This decision tends to affirm my view that the real estate in the pipeline corridor is essentially State land ... perhaps all State land. And it may well be that many Alyeska "right" obtained from the Federal government may be State property under Lease as well.

vdj/GWV

<input checked="" type="checkbox"/>	Regional R/W Agent	<i>Lee</i>
<input checked="" type="checkbox"/>	Negotiations	<i>Lee</i>
<input checked="" type="checkbox"/>	Encroachments	
<input checked="" type="checkbox"/>	Engineering	<i>LS PL</i>
	Title	
<input checked="" type="checkbox"/>	Appraisals	<i>Lee</i>
<input checked="" type="checkbox"/>	Relocation	
<input checked="" type="checkbox"/>	Return to: <i>Beech</i>	
	FILE	

X-copy to Dick CHITTY 7/27/78

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA  
FOURTH JUDICIAL DISTRICT

STATE OF ALASKA,

Plaintiff,

vs.

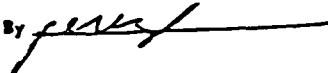
13.165 acres, more or less; )  
14.606 acres, more or less; )  
ARCO PIPELINE COMPANY; SOHIO PIPE- )  
LINE COMPANY; EXXON PIPELINE )  
COMPANY; AMERADA HESS CORPORATION; )  
MOBILE ALASKA PIPELINE COMPANY; )  
BP PIPELINES, INC.; PHILLIPS )  
PETROLEUM COMPANY; UNION ALASKA )  
PIPELINE COMPANY; ATLANTIC PIPE- )  
LINE COMPANY; HUMBLE PIPELINE )  
COMPANY, PREDECESSOR IN INTEREST TO )  
EXXON PIPELINE COMPANY; MOBILE PIPE- )  
LINE COMPANY; UNION OIL COMPANY OF )  
CALIFORNIA; ALASKA STATE RIFLE AND )  
PISTOL ASSOCIATION, INC.; ALASKA )  
GOLD COMPANY; UV INDUSTRIES, INC., )  
SUCCESSOR IN INTEREST TO UNITED )  
STATES SMELTING REFINING AND MINING )  
COMPANY; GOLDEN VALLEY ELECTRIC )  
ASSOCIATION; ALL UNKNOWN OWNERS, )

Defendants. )

FILED in the Trial Courts  
State of Alaska, Fourth District

JUL 19 1978

OLGA T. STÜGER, Clerk, Trial Courts

By  Deputy

No. 76-1145

DECISION

This matter comes before the Court upon the State's motion to dismiss the "pipeline company owners" of the Alyeska Pipeline from the above entitled matter and cause on the grounds that the companies are not owners of the land upon which the

State vs. Arco, et al  
#76-1145  
Decision  
Page 2

ties, and is convinced that the right-of-way leasing act, Title 38, Chapter 35, of the Alaska Statutes and the lease for the Trans-Alaska Pipeline entered into between the owner companies and the State of Alaska compel this Court to find as a matter of law that the owner companies are not fee owners of the land in question. It may very well be that the defendants acquired "title" to the subject property by negotiated sale, but it is not denied and cannot be denied that the subject property is within the pipeline corridor and that had the negotiations for the sale of the property not been successful, the club of condemnation was available to the defendants and would have been resorted to in order to acquire the property so the pipeline could be completed.

The right-of-way leasing act and the lease in question provides that the land so acquired is held for the benefit of the State and that it's acquired by the companies as agent for the State.

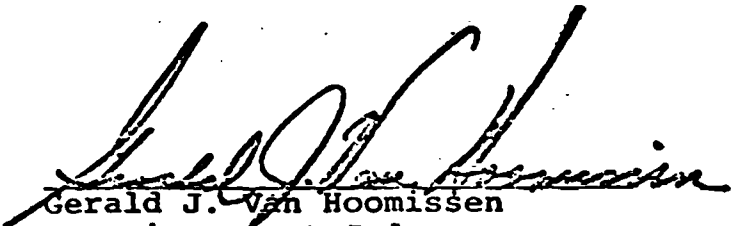
Consequently, this Court rules as a matter of law that the only interest of the company in the pipeline is that of a leasehold interest. Such a holding, however, does not compel dismissal of the defendants from the condemnation proceedings. Defendants take the position that the highway constructed on the pipeline corridor on the subject land interfered with their leasehold. The Court can-

State vs. Arco, et al  
#76-1145  
Decision  
Page 3

and the oil companies are the following:

1. Whether or not there has in fact been a taking, i.e., interference with the leasehold of the defendants; and
2. If there has, what just compensation for said interference are the defendants entitled to?

DATED at Fairbanks, Alaska, this 17 day of July, 1978.

  
Gerald J. Van Hoomissen  
Superior Court Judge