

February 6, 2009

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2141

Page 1, line 3, after "exploration" insert "; and to amend and reenact subdivision d of subsection 1 of section 38-08-04 of the North Dakota Century Code, relating to industrial commission oil and gas surety bonds"

Page 1, after line 4, insert:

"SECTION 1. AMENDMENT. Subdivision d of subsection 1 of section 38-08-04 of the North Dakota Century Code is amended and reenacted as follows:

- d. The furnishing of a reasonable bond with good and sufficient surety, conditioned upon the full compliance with this chapter, and the rules and orders of the industrial commission, except that if the commission requires a bond to be furnished, the person required to furnish the bond may elect to deposit under such terms and conditions as the industrial commission may prescribe a collateral bond, self-bond, cash, or any alternative form of security approved by the commission, or combination thereof, by which an operator assures faithful performance of all requirements of this chapter and the rules and orders of the industrial commission. Before the industrial commission may release a bond obtained under this subdivision, the industrial commission shall determine that the land where the oil or gas well is located is reclaimed to the same or similar condition that existed before the drilling of the oil or gas well and shall notify the surface owner that the industrial commission intends to release the bond."

Page 5, line 13, after "9." insert "The mineral developer shall notify the surface owner of any spill or discharge of oil, water, chemicals, or other substances if the spill or discharge is otherwise reportable to a governmental entity.

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Renumber accordingly