



House Bill 1459

Senate Energy and Natural Resources Committee

March 27, 2025

Testimony of Ed Murphy, State Geologist, DMR – Geological Survey

In his testimony on HB 1459 before the House Energy and Natural Resources Committee, Nathan Anderson (Director of the Department of Mineral Resources) noted that President Trump's Executive Order of January 20, 2025, declared a national emergency related to energy and critical minerals, further emphasizing the need for critical minerals to be produced here in the U.S.

Recently, the DMR requested that NDCC 38-12 (Subsurface Minerals), the regulatory program that governed critical minerals exploration in coal in the first engrossed bill, be replaced with NDCC 38-12.1 (Coal Exploration). That change was made in the bill draft before you. We requested it because for the last 17 years we have issued exploration permits between those two regulatory programs based upon the target lithology. For example:

In 2008, we issued a subsurface minerals (NDCC 38-12) permit to explore for molybdenum, uranium, and germanium (the latter two would later be considered critical minerals) when the targeted lithology was both coal and sandstone.

In 2021, we issued a coal exploration (NDCC 38-12.1) permit for a company to explore for critical minerals in coal.

In 2024, we issued 11 coal exploration (NDCC 38-12.1) permits. One of the permits was for a company to explore for critical minerals in coal, the other ten were issued to the DMR for a drilling program focused on critical minerals in coal over a ten-county area.

This bill addresses the urgent need to establish a regulatory framework for the exploration, mining, and processing of critical minerals in coal. As such, it is an important first step.

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