

MINING AND GAS AND OIL PRODUCTION

CHAPTER 288

H. B. No. 669
(Hilleboe, Powers, Backes)

CLERICAL HELP OF MINE INSPECTOR

AN ACT

To amend and reenact section 38-03-03 of the North Dakota Century Code, relating to clerical help of mine inspector.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. **Amendment.)** Section 38-03-03 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

38-03-03. Bond, Office, and Clerical Help of Inspector.) Before entering upon the duties of his office, the inspector shall furnish a bond in the penal sum of five thousand dollars. The inspector shall have his office in the state capitol building. He may employ all necessary clerical help for the purpose of carrying out the provisions of this chapter and may fix the compensation of such help, but the same shall not exceed the sum of three thousand dollars per annum.

Approved March 14, 1967.

CHAPTER 289

H. B. No. 926

(Fossum, Glaspey, Unruh, Dornacker, Hilleboe, Backes,
(Brown, Saugstad, Tweten, Haugland)

REGULATION OF SUBSURFACE MINERALS

AN ACT

To provide for the regulation of the development and production of certain subsurface minerals, and providing a penalty.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Definitions.) As used in this Act, unless the context otherwise requires:

1. "Subsurface minerals" means and includes all naturally occurring elements, and their compounds, natural mineral salts of boron, bromine, calcium, fluorine, helium, iodine, lithium, magnesium, nitrogen, phosphorus, potassium, sodium, and sulfur, and their compounds, occurring more than five hundred feet below the surface of the land.
2. "Commission" means the industrial commission of the state of North Dakota.
3. "Person" means and includes any natural person, corporation, association, partnership, receiver, trustee, executor, administrator, guardian, fiduciary, or other representative of any kind, and includes any department, agency, or instrumentality of the state or of any governmental subdivision thereof; the masculine gender, in referring to a person, includes the feminine and the neuter genders.

§ 2. Jurisdiction of Commission.) The commission has jurisdiction and authority over all persons and property, public and private, necessary to enforce effectively the provisions of this chapter. The state geologist shall act as a supervisor charged with the duty of enforcing the regulations and orders of the commission applicable to the subsurface mineral resources of this state and the provisions of this chapter. The commission has authority to make such investigations as it deems proper to determine whether facts exist which justify action by the commission. The commission acting through the office of the state geologist has the authority:

1. To require:

- a. The furnishing of a reasonable bond with good and sufficient surety, conditioned upon the full compliance with the provisions of this chapter, and the rules and regulations of the industrial commission prescribed to govern the development and production of subsurface minerals on state and private lands within the state of North Dakota.
- b. The making and filing of all logs, including radioactivity, resistivity and mechanical logs and the filing free of charge of samples and core chips and of complete cores when requested in office of the state geologist. The logs and cores shall be confidential for a period of two years when so requested by the operator and such period may be further extended upon approval by the commission.
- c. The filing of monthly production reports in the manner prescribed by the commission.

2. To regulate:

- a. The drilling, and plugging of wells and all other operations governing the method of production of subsurface minerals.
3. To promulgate and to enforce rules, regulations, and orders to effectuate the purposes and the intent of this chapter.
4. To inspect all drilling sites. For the purposes of this provision, the state geologist or his representative shall have access to all drilling or production installations for purposes of inspection and shall have the authority to require the operators aid if same is necessary and is requested.

§ 3. Drilling Permit Required.) It shall be unlawful to commence operations for drilling for the exploration or production of subsurface minerals without first obtaining a permit from the state geologist, under such rules and regulations as may be prescribed by the commission and paying to the commission a fee of twenty-five dollars for each such permit.

§ 4. Procedure.) The administrative procedure involved in the adopting of any rules or regulations or the issuance of any orders by the commission under the provisions of this Act shall be in accordance with the provisions of chapter 38-08 governing the procedure in the administration of the Oil and Gas Conservation Act; provided, however, that in the event an emergency is found to exist by the commission which in its

judgment requires the making, revoking, changing, amending, modifying, altering, enlarging, renewal or extension of a rule, regulation or order without first having a hearing, such emergency rule, regulation or order shall have the same validity as if a hearing with respect to the same had been held after due notice. The emergency rule, regulation or order permitted by this section shall remain in force no longer than fifteen days from its effective date, and in any event, it shall expire when the rule, regulation, or order made after due notice and hearing with respect to the subject matter of such emergency rule, regulation or order becomes effective.

§ 5. Penalty — Injunction — Provisions Applicable.) The provisions of sections 38-08-16 and 38-08-17 shall be applicable to the provisions of this chapter and to the rules, regulations and orders of the commission promulgated hereunder.

Approved March 1, 1967.

CHAPTER 290

S. B. No. 369

(Wilhite, Decker, Trenbeath)

EXECUTION OF OIL AND GAS DOCUMENTS AFFECTING INTERESTS OWNED BY ABSENT PERSONS

AN ACT

To provide a method for the execution of oil and gas leases and other documents involving mineral, leasehold or royalty interests owned or claimed by absent persons under certain circumstances.

Be It Enacted by the Legislative Assembly of the State of North Dakota:

§ 1. Appointment of Trustee to Execute Mineral Lease and Other Documents Where Owner or Claimant Has Absented Himself.) Where any undivided mineral, leasehold or royalty interest in land is claimed or owned by a person whose place of residence and whereabouts is unknown, and cannot reasonably be ascertained, the district court of the county in which the said land or a portion thereof is situated shall have the power to declare a trust in the interest of such owner or claimant and appoint a trustee therefor. Upon satisfactory proof made by the petitioner that a diligent but unsuccessful effort to locate such owner or claimant has been made and that it will be in the best interest of all owners of interests in said lands, the court shall authorize such trustee to execute and deliver an oil, gas or other mineral lease, an assignment

of leasehold interest, a ratification, division orders or other related documents or instruments, on such terms and conditions as the court may approve. All proceedings shall substantially comply with that provided for the administration of trusts in chapter 59-04.

§ 2. Who May Institute Proceedings.) The proceedings provided for by this Act may be instituted upon the petition of any one or more persons who own a mineral, leasehold or royalty interest in said land.

§ 3. Disposition of Income and Royalties.) All bonuses, rental payments, royalties and other income shall be paid to the trustee until termination of the trust and notice thereof is given to all interested parties. All such bonuses, rental payments, royalties and other income shall be distributed by the trustee to the person or persons entitled thereto upon proper order of the said district court.

Approved March 14, 1967.