

February 6, 1997

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1342

Page 1, line 1, after "38-08.1-01" insert "and a new subsection to section 38-08.1-04.1"

Page 1, line 2, after "exploration" insert "and to notification requirements for geophysical exploration permitholders" and remove "and"

Page 1, line 3, remove "subsections 1, 2, and 7 of section"

Page 1, line 4, after "1" insert ", 3,"

Page 1, line 5, replace "and section" with "sections" and after "38-08.1-06.1" insert ", and 57-62-03.1"

Page 1, line 6, after "requirements" insert "and enforcement funding; to provide an appropriation; and to declare an emergency"

Page 2, line 1, overstrike "person" and replace ", including contractors and subcontractors," with "geophysical exploration contractor"

Page 2, line 6, after "~~person~~" insert "if the contractor intends to conduct shot hole operations or in the amount of twenty-five thousand dollars if the contractor intends to use any other method of geophysical exploration", replace "person, including contractors and subcontractors," with "subcontractor engaged by the geophysical exploration contractor for the", and replace "or plugging" with "of"

Page 2, line 7, remove the first "a" and replace "hole" with "holes"

Page 2, line 17, after the first "the" insert "geophysical exploration contractor's"

Page 2, line 19, after the period insert "If the surety does not renew the drilling or plugging bond, the surety's liability under the bond ceases two years from the date the drilling and plugging covered by the bond was last conducted in this state."

Page 4, line 6, replace "Subsections 1, 2, and 7 of section" with "Section"

Page 4, line 7, replace "are" with "is"

Page 4, after line 7, insert:

**"38-08.1-04. Application for permit to engage in geophysical exploration.**  
Any person desiring to engage in geophysical exploration ~~within this state shall prior to~~  
~~before~~ actually engaging in ~~such the~~ exploration, shall file an application for a permit to  
engage in geophysical exploration with the ~~board of county commissioners in each~~  
~~county in which exploration is to be carried on~~ commission. The application for a permit  
for geophysical exploration must include the following ~~information:~~"

Page 4, after line 14, insert:

- "3. The name and address of the resident agent for service of process of the person intending to engage in geophysical exploration.
4. The date upon which geophysical exploration is to begin.
5. The approximate number and depth of any drill holes and the specific location of any drill holes or a description of the property on which the geophysical exploration is to be conducted described by township, range, section, and quarter section.
6. ~~A certificate from the industrial commission indicating that the person intending to engage in geophysical exploration and any subcontractors to be employed by that person have each filed with the industrial commission a good and sufficient surety bond."~~

Page 4, line 15, overstrike "7."

Page 4, after line 17, insert:

"Applications filed with the board of county commissioners under this section must be maintained in a manner separate and apart from any other records or indices concerning the land described in the application. The person making application for a geophysical exploration permit shall file an amended application whenever there is any new information or a change in the information contained in the application on file with the ~~board of county commissioners~~ commission."

Page 4, line 18, after "1" insert ", 3,"

Page 4, line 21, overstrike "board of county commissioners or its designee" and insert immediately thereafter "commission"

Page 4, line 25, overstrike "any county" and insert immediately thereafter "this state"

Page 4, line 26, overstrike "board of county commissioners" and insert immediately thereafter "commission"

Page 4, after line 26, insert:

- "3. The permit must be signed by the ~~chairman~~ director of the ~~board of county commissioners~~ commission's oil and gas division or ~~that person's the director's~~ designee and must bear the official county seal. The permit is valid and effective for all geophysical crews of the permittee for a one-year period in which it is issued one year."

Page 4, after line 30, insert:

**"SECTION 6.** A new subsection to section 38-08.1-04.1 of the North Dakota Century Code is created and enacted as follows:

The permitholder shall notify the county auditor or the auditor's designee at least twenty-four hours, excluding Saturdays and holidays, before the permitholder commences geophysical exploration in the county. Notice must include the approximate time schedule and location of the planned activity."

Page 5, line 3, overstrike "**County**" and overstrike "**to notify industrial commission**" and insert immediately thereafter "**Notification**"

Page 5, line 4, after "**permit**" insert "**- Revocation - Suspension**", remove "board of", overstrike "county", remove the overstrike over "~~commission~~", remove "commissioners", and overstrike "of any county in which a permit is"

Page 5, line 5, overstrike "issued" and overstrike "commission" and insert immediately thereafter "board of county commissioners of the county in which the lands are located"

Page 5, line 15, overstrike the first "or" and insert immediately thereafter an underscored comma, after "damage" insert ", or undue stress", and overstrike "similar factors that"

Page 5, line 16, overstrike "could cause undue stress to the normal physical well-being within the county" and insert immediately thereafter "other physical features. For these same reasons, a board of county commissioners, upon notice to the permit holder and the commission, also may suspend, for not longer than forty-eight hours, a permit for operations within the county"

Page 5, line 21, overstrike "**- Complaint of property owner**"

Page 5, line 26, overstrike "Upon written request by the owner or"

Page 5, overstrike lines 27 and 28

Page 5, line 29, overstrike "description of the worksite sufficiently exact to permit location and identification of the site. This" and insert immediately thereafter "The notice also"

Page 5, line 31, overstrike "The request must be based upon a written complaint of the property owner or"

Page 6, overstrike lines 1 through 5

Page 6, line 19, overstrike "Any person violating this subsection is guilty of an infraction."

Page 8, after line 7, insert:

**"SECTION 11. AMENDMENT.** Section 57-62-03.1 of the North Dakota Century Code is amended and reenacted as follows:

**57-62-03.1. Oil and gas impact grant fund - Continuing appropriation.** The moneys accumulated in the oil and gas impact grant fund must be allocated as provided by law and as appropriated by the legislative assembly for distribution through grants by the energy development impact office to oil and gas development impacted cities, counties, school districts, and other taxing districts or for industrial commission enforcement of laws and rules relating to geophysical exploration in this state. The amounts deposited in the oil and gas impact grant fund under subsection 1 of section 57-51-15 are hereby appropriated as a standing and continuing appropriation to the energy development impact office for grants as provided in this section.

**SECTION 12. APPROPRIATION.** There is hereby appropriated out of any moneys in the lands and minerals trust fund, not otherwise appropriated, the sum of \$125,000, or so much of the sum as may be necessary, and from the oil and gas impact grant fund, not otherwise appropriated, the sum of \$125,480, or so much of the sum as may be necessary, to the oil and gas division of the industrial commission, for the purpose of enforcement of laws and rules relating to geophysical exploration in the state, for the biennium beginning July 1, 1997, and ending June 30, 1999.

**SECTION 13. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly