

Fifty-eighth  
Legislative Assembly  
of North Dakota

ENGROSSED HOUSE BILL NO. 1102

Introduced by

Natural Resources Committee

(At the request of the Geological Survey)

1 A BILL for an Act to amend and reenact subdivision d of subsection 1 of section 38-08-04,  
2 subdivision a of subsection 1 of section 38-12-02, subdivision a of subsection 1 of  
3 section 38-12.1-04, and subdivision d of subsection 1 of section 38-19-03 of the North Dakota  
4 Century Code, relating to an election to deposit cash or property in lieu of a bond for coal  
5 exploration, subsurface mineral exploration and development, and geothermal production.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

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

9 d. The furnishing of a reasonable bond with good and sufficient surety,  
10 conditioned upon the full compliance with this chapter, and the rules and  
11 orders of the industrial commission prescribed to govern the production of oil  
12 and gas on public and private lands within the state, except that if the  
13 commission requires a bond to be furnished, the person required to furnish  
14 the bond may elect to deposit ~~cash or property under such terms and~~  
15 ~~conditions as the industrial commission may prescribe~~ a surety bond,  
16 collateral bond, self-bond, deposit, a bond issued under the state surface  
17 mining and reclamation bond fund, any alternative form of security approved  
18 by the commission, or combination thereof, by which a permittee assures  
19 faithful performance of all requirements of this chapter.

20 **SECTION 2. AMENDMENT.** Subdivision a of subsection 1 of section 38-12-02 of the  
21 North Dakota Century Code is amended and reenacted as follows:

22 a. The furnishing of a reasonable bond with good and sufficient surety,  
23 conditioned upon the full compliance with the provisions of this chapter, and  
24 the rules and regulations of the commission prescribed to govern the

1 exploration, development, and production of subsurface minerals on state and  
2 private lands within the state of North Dakota. The person required to furnish  
3 the bond may elect to deposit a surety bond, collateral bond, self-bond,  
4 deposit, a bond issued under the state surface mining and reclamation bond  
5 fund, any alternative form of security approved by the commission, or  
6 combination thereof, by which a permittee assures faithful performance of all  
7 requirements of this chapter.

8 **SECTION 3. AMENDMENT.** Subdivision a of subsection 1 of section 38-12.1-04 of the  
9 North Dakota Century Code is amended and reenacted as follows:

10 a. The furnishing of a reasonable bond with good and sufficient surety,  
11 conditioned upon the full compliance with the provisions of this chapter, and  
12 the rules and regulations of the commission prescribed to govern the  
13 exploration for coal on state and private lands and roads used in coal  
14 exploration within the state of North Dakota. The person required to furnish  
15 the bond may elect to deposit a surety bond, collateral bond, self-bond,  
16 deposit, a bond issued under the state surface mining and reclamation bond  
17 fund, any alternative form of security approved by the commission, or  
18 combination thereof, by which a permittee assures faithful performance of all  
19 requirements of this chapter.

20 **SECTION 4. AMENDMENT.** Subdivision d of subsection 1 of section 38-19-03 of the  
21 North Dakota Century Code is amended and reenacted as follows:

22 d. The furnishing of a reasonable bond with good and sufficient surety,  
23 conditioned upon the full compliance with the rules of the commission relating  
24 to the extraction of geothermal energy. The person required to furnish the  
25 bond may elect to deposit a surety bond, collateral bond, self-bond, deposit, a  
26 bond issued under the state surface mining and reclamation bond fund, any  
27 alternative form of security approved by the commission, or combination  
28 thereof, by which a permittee assures faithful performance of all requirements  
29 of this chapter.