



Senate Bill 2374

Date of Testimony: 2-09-2023

Good afternoon Chairman Patten and members of the Senate Energy and Natural Resources Committee. I offer the following for informational purposes only:

Page 2, Lines 4-5—Section 2: Amends 38-08-06.3 (Information Statement to Royalty Owner)

- Any person in violation with the section is guilty of a class B misdemeanor.
 - After the sentence ending in “misdemeanor”, add the following sentence: “The criminal penalty provided for in this subsection may only be imposed by a court of competent jurisdiction.”

Page 2, Lines 6-9—Section 2: Amends 38-08-06.3 (Information Statement to Royalty Owner)

- The proposed addition requires the “court” to award reasonable attorney’s fees and “court” costs.
 - Commission is not a “court” and we should not be awarding attorney’s fees and determining actual costs.

Page 3, Lines 2-4— Section 3: Amends 38-08-06.6 (Ownership Interest Information Statement)

- The proposed addition allows the “court” to award reasonable attorney’s fees and “court” costs.
 - Commission is not a “court” and we should not be awarding attorney’s fees and determining actual costs.

Page 3, Lines 8-9—Section 3: Amends 38-08-06.6 (Ownership Interest Information Statement)

- The Department of Mineral Resources shall make orders and cases searchable by well name and legal description free of charge.
 - Cases are not searchable—they can contain hundreds (some thousands of pages).
 - Cases and orders do not contain well names or all spacing units, therefore this ask is nearly impossible.
- We could modify our website to include the well spacing unit as proposed (Page 3, Lines 4-7), although it is already available to our website subscribers with Basic Service.

Please let us know if you have any questions or comments.

Sincerely,

Bruce E. Hicks

Assistant Director

NDIC-DMR-OGD