

**2015 SENATE ENERGY AND NATURAL RESOURCES**

**SB 2356**

# 2015 SENATE STANDING COMMITTEE MINUTES

Energy and Natural Resources  
Fort Lincoln Room, State Capitol

SB 2356  
2/12/2015  
23721

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*Kate Oliver*

## Explanation or reason for introduction of bill/resolution:

To provide for a legislative management study of oil and gas and abandoned gravel pit reclamation practices.

## Minutes:

Chairman Schaible opened the hearing and Senator Joe Miller was on hand to introduce the bill.

Senator Miller: Landowners came to me with a study and it was great but I wanted to get involved in a few aspects of reclamation practices. I added gravel pits and expanded the language to talk about the economic benefits of using monies in the state, Heritage Fund in particular. A better use of that money would be restoring abandoned gravel pits. There are a lot that are under/over utilized to the point where there is nothing left but an open pit and I think we can explore in the interim what we have in that area and what we can be doing to revitalize that land. Clean water initiatives when farmers in the valley need a tile the gravel pits can be utilized in a collection site to properly filter that water before it goes into the drinking water. The issues that the landowners bring forward are important, salt water spills, pipeline reclamation. Soil is a remarkable organism that can correct itself given enough time. When I dig rocks in my field and leave a hole there soil gets turned up and nothing will grow for a year or so but if you go back 3 years later you never know there was hole.

Senator Laffen: Did you check at all if any of these exist in statue to reclaim gravel pits?

Senator Miller: I do not know what we have in statue. Years ago no one thought about reclamation and now we are very concerned because we do not want a pit full of weeds.

Senator Laffen: My sense is that we do not but we have anything for gravel pits. I think we do have some that concern the reclamation of abandoned oil wells.

Senator Triplett: We do have reclamation laws in place, oil and gas infrastructure. The phrase that caught my attention was natural erosion events. Maybe we are going to have to narrow the language down a bit.

Senator Miller: You always have issues where a river bed is eroding greatly and has been doing it for a long period of time. I see what is going on in our area and it might be something that we want to look at the economic cost to a private person that we as a state can utilize our funding and improve our land to turn it back into something productive. I really want us to focus on how we can help a man who has an abandoned pit. To reclaim it is a lot for a land owner to deal with.

Senator Triplett: How would that not be a concern for the anti-gifting clause?

Senator Miller: Maybe there is a service that information that we can share.

Thomas Wheeler: Northwest Landowners Association. We support the concept of SB 2356. When Senator Miller mentioned abandoned gravel pits, there are a lot of them in the state and they are a liability. How can we make it productive? Supports SB 2356.

Chairman Schaible: Do you have an idea what natural erosion events would be that are not national parks

Thomas Wheeler: On the creek bank, major washouts.

Wade Moser: Chairman of Outdoor Heritage Fund.

Chairman Schaible: What is your thought about putting money from the Heritage Fund into reclamation of a gravel pit?

Wade Moser: People are not eligible to get grants they would need to go through a nonprofit or political subdivision. Currently we are trying to fine tune where we want our dollars to be spent. People start projects and don't finish and then ask for money. Maybe there is some organization that would come forward and take the projects on and do it in a proper way but it would take some thinking.

Senator Triplett: If there was a pit that was near to community, held water and it was perceived as drowning risk for local children then maybe that community would get behind the idea of getting rid of that kind of hazard.

Wade Moser: I think it would be a fair assumption that we would take a look at something like that. We are honing in on the conservation aspect. If it is a safety issue it might be out of our realm.

Senator Armstrong: Presents Forever have taken backup creeks and restore them to habitat.

Wade Moser: Good point, Presents Forever brought a proposal for pollinator projects and wetland reserve programs. A group like that would be able to target an area and pull in 200-300 acres.

Senator Laffen: I grew up on the edge of the valley and the only place we had to deer hunt was old gravel pits. Reclaiming them would take all of that away.

Wade Moser: You make a good point; it would have to be something that isn't forced on someone. One size does not fit all.

There was no further discussion and the hearing was closed.

# 2015 SENATE STANDING COMMITTEE MINUTES

Energy and Natural Resources  
Fort Lincoln Room, State Capitol

SB 2356  
2/12/2015  
23730

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*Katie Oliver*

## Explanation or reason for introduction of bill/resolution:

To provide for a legislative management study of oil and gas and abandoned gravel pit reclamation practices.

## Minutes:

Senator Armstrong: It just seems like this is way too big, there are too many things, and it's too much, I am not sure how you would do it all, it should be 3 or 4 different studies. I would like to talk to the bill's prime sponsor.

Senator Hogue: It does contain the "shall study" language so maybe you should talk to the prime sponsor and the committee can think about if we want to compel the study opposed to maybe management discretion.

Chairman Schaible: We have coal and oil but we do not have a reclamation plan for windmills, we need to study that, too. If it is 20 years or 40 years at some point that will be an issue, too.

Senator Triplett: Some years back we gave the Public Service Commission the authority to require the reclamation.

Senator Murphy: You could wait for 6-10 years and not touch the Heritage Fund and use it all up on the Cheyenne River.

Senator Laffen: If the Public Service Commission isn't requiring the bonds when they issue the permit.

Senator Triplett: I have not followed up with that in a while, they may be doing that now. But I think that they are giving notice in the permit that may be added.

Vice Chair Unruh: I think that they have started utilizing the authority to have companies do that. I can follow up on that.

Senate Energy and Natural Resources Committee

SB 2356

02/12/2015

Page 2

There was no further discussion on this and Chairman Schaible closed the committee work on SB 2356

# 2015 SENATE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Fort Lincoln Room, State Capitol

SB 2356  
2/19/2015  
24126

- ☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature

*Kate Oliver*

### Explanation or reason for introduction of bill/resolution:

To provide for a legislative management study of oil and gas and abandoned gravel pit reclamation practices.

### Minutes:

*2 Attachments*

Senator Armstrong: My amendments removed oil and gas impacted areas and added abandoned gravel pits and financially different reclamation projects only on state and county land. It also made it permissive and not compulsory and I thought we were going to study these issues and talk about economic benefits we shouldn't be messing in private land and we should do it from a county and state perspective and I think that there are different reasons why it is a good idea to look at. I mentioned that there are various ways to do that and it makes it a narrower and better study. (See attachment #1)

Chairman Schaible: You also have in front of you HB 1349 from last session that did not make it through the House. (See attachment #2)

Senator Armstrong: I feel like the hearing on that study will be different from the hearing we had but I think that this language accomplishes what we intended on doing.

Vice Chair Unruh: I like the narrow scope of the study; I think that taking out the natural erosion is very appropriate. I like the 'shall consider studying' language as well.

Vice Chair Unruh then made a motion to move the amendment 15.0994.01001 with a second by Senator Murphy.

Senator Triplett: This amendment is better than the bill because it tightens it up a bit. I am confused why we were handed a bill from last session when it seems to not have anything to do with the other.

Senator Armstrong: In the original bill oil and gas was a part of it. The feeling that I got from testimony was that we were hesitant to deal with private land issues on this. I got the amendments this morning and it was in the drafting of the original amendments.

Senator Triplett: I think that it is appropriate that we limit it to state and county lands but my thinking was things that may be learned from a study of the reclamation gravel pits or oil and gas it could be useful to landowners. The oil and gas issue seems like it is better covered in regulations already in the sense that we have regulations requiring the industry to reclaim there sites as they go. The prime sponsor was more interested in gravel pits and not oil and gas.

Senator Armstrong: If you look at what was introduced last time it would be private time. That study would be studying existing regulations and I am not sure why you would need to study it again.

Senator Laffen: The bill was an issue that was brought to the prime sponsor and he added gravel pits to it, spoke to gravel pits and now we are amending out the original idea.

Roll was taken, the motion to adopt amendment 15.0994.01001 passed on a 7-0-0 count.

Senator Triplett: Would it be appropriate to add an additional section that would put the bill from HB 1349 as an effective part to be a bill that has 2 studies in it. It would go back to meeting the intent and if there is a misunderstanding and the prime sponsor. The language is all there.

A motion was made to incorporate engrossed HB 1349 into SB 2356 as a second discretionary study by Senator Triplett with a second by Vice Chair Unruh.

Senator Armstrong: If this moves forward and has an opportunity for a hearing and can do it on the other side.

Chairman Schaible: I do not see a downside; if there are problems with it we have an opportunity to fix it. When it becomes a study there will be some filtering there also.

There was no other discussion, roll was taken and the motion passed on a 7-0-0 count. Senator Triplett then made a motion for a do pass as further amended with a second by Vice Chair Unruh. There was no further discussion, roll was taken and the motion passed on a 6-1-0 count and Senator Triplett carrying the bill to the floor.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2356

Page 1, line 5, replace "study oil and gas and" with "consider studying"

Page 1, line 6, replace "must" with "may"

Page 1, line 7, remove "oil and gas"

Page 1, line 8, remove "development-impacted areas and"

Page 1, line 8, remove ", natural erosion events,"

Page 1, line 9, after "projects": insert "on state and county lands"

Page 1, line 9, remove "clean"

Page 1, line 10, replace "water initiatives" with "other economic enterprises"

Page 1, line 10, replace "shall" with "may"

Page 1, line 11, remove "or repurposed"

Page 1, line 12, replace "shall" with "may"

Renumber accordingly

February 19, 2015

1 of 2  
TB  
2/19/15

PROPOSED AMENDMENTS TO SENATE BILL NO. 2356

- Page 1, line 1, remove "a"
- Page 1, line 1, replace "study" with "studies"
- Page 1, line 2, after "practices" insert "and standards"
- Page 1, line 5, replace "study oil and gas and" with "consider studying"
- Page 1, line 6, replace "must" with "may"
- Page 1, line 7, remove "oil and gas"
- Page 1, line 8, remove "development-impacted areas and"
- Page 1, line 8, remove ", natural erosion events,"
- Page 1, line 9, after "projects" insert "on state and county lands"
- Page 1, line 9, remove "clean"
- Page 1, line 10, replace "water initiatives" with "other economic enterprises"
- Page 1, line 10, replace "shall" with "may"
- Page 1, line 11, remove "or repurposed"
- Page 1, line 12, replace "shall" with "may"
- Page 1, after line 18, insert:

**"SECTION 2. LEGISLATIVE MANAGEMENT STUDY - RECLAMATION**

**STANDARDS.** During the 2015-16 interim, the legislative management shall consider studying whether reclamation standards related to oil and gas development can be improved to ensure the successful reclamation of agricultural lands in this state, and to ensure that productivity of these agricultural lands following reclamation is as near as possible to the land's productivity before being used for oil and gas production. The study may include the consideration of whether performance standards found in North Dakota Administrative Code chapter 69-05.2 and used by the North Dakota public service commission for reclamation of surface coal-mined lands should be utilized by the North Dakota industrial commission for reclamation of lands used for oil and gas development. The study may examine whether additional and more detailed reclamation standards should be included in state law and administrative rule, what standards should be included, and in what manner such standards should be included. The study may consider input from representatives from the department of mineral resources, the school of natural resource sciences' department of soil science at North Dakota state university, the department of trust lands, the public service commission, the state department of health, landowner groups, and professional soil classifiers regulated by the state board of registration for professional soil classifiers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly."

2 of 2

Renumber accordingly

Roll Call Vote #: 1

**2015 SENATE STANDING COMMITTEE  
ROLL CALL VOTES  
BILL/RESOLUTION NO. 2356**

Senate Energy and Natural Resources Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 15.0994.01002

Action Taken	Adopt Amendments
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Motion Made By Vice Chair Unruh                      Seconded By Senator Murphy

[illegible]

Total	(Yes)	7	No	0
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Absent	0
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## Floor Assignment

If the vote is on an amendment, briefly indicate intent:

Roll Call Vote #: 2

Senate Energy and Natural Resources Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken	Further Amend
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Motion Made By    Senator Triplett                      Seconded By    Vice Chair Unruh

[illegible]

Total	(Yes)	7	No	0
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Absent	0
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Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

Roll Call Vote #:

## 2015 SENATE STANDING COMMITTEE

## ROLL CALL VOTES

BILL/RESOLUTION NO. 2351a

Senate Energy and Natural Resources☐ Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do Pass as Final

Motion Made By Inplett Seconded By Unruh

[illegible]

Total (Yes) 62 No 1

Absent                     

Floor Assignment 8 Thpelt

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2356: Energy and Natural Resources Committee (Sen. Schaible, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2356 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "a"

Page 1, line 1, replace "study" with "studies"

Page 1, line 2, after "practices" insert "and standards"

Page 1, line 5, replace "study oil and gas and" with "consider studying"

Page 1, line 6, replace "must" with "may"

Page 1, line 7, remove "oil and gas"

Page 1, line 8, remove "development-impacted areas and"

Page 1, line 8, remove ", natural erosion events,"

Page 1, line 9, after "projects" insert "on state and county lands"

Page 1, line 9, remove "clean"

Page 1, line 10, replace "water initiatives" with "other economic enterprises"

Page 1, line 10, replace "shall" with "may"

Page 1, line 11, remove "or repurposed"

Page 1, line 12, replace "shall" with "may"

Page 1, after line 18, insert:

**"SECTION 2. LEGISLATIVE MANAGEMENT STUDY - RECLAMATION STANDARDS.** During the 2015-16 interim, the legislative management shall consider studying whether reclamation standards related to oil and gas development can be improved to ensure the successful reclamation of agricultural lands in this state, and to ensure that productivity of these agricultural lands following reclamation is as near as possible to the land's productivity before being used for oil and gas production. The study may include the consideration of whether performance standards found in North Dakota Administrative Code chapter 69-05.2 and used by the North Dakota public service commission for reclamation of surface coal-mined lands should be utilized by the North Dakota industrial commission for reclamation of lands used for oil and gas development. The study may examine whether additional and more detailed reclamation standards should be included in state law and administrative rule, what standards should be included, and in what manner such standards should be included. The study may consider input from representatives from the department of mineral resources, the school of natural resource sciences' department of soil science at North Dakota state university, the department of trust lands, the public service commission, the state department of health, landowner groups, and professional soil classifiers regulated by the state board of registration for professional soil classifiers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

**2015 HOUSE ENERGY AND NATURAL RESOURCES**

**SB 2356**

# 2015 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Pioneer Room, State Capitol

SB 2356  
3/12/2015  
Job # 24751

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

To provide for legislative management studies of oil and gas and abandoned gravel pit reclamation practices and standards.

### Minutes:

Attachments 1

**Chairman Porter** opens hearing.

**Senator Miller, District 10:** Explains bill.

**Rep. Roger Brabandt:** How many gravel pits are there?

**Miller:** I have no idea.

**Rep. Mike Nathe:** Have you seen 1358 that we passed out of here; it addresses these issues?

**Miller:** I don't think so.

**Chairman Porter:** The minerals belong to the surface owner. The owner was paid for the gravel that has been taken out. Who will pay for it?

**Miller:** The focus is on government owned gravel pits.

**Troy Coons, Vice President, Northwest Land Owners Association; written testimony #1**

**OPPOSITION:** None.

# 2015 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Pioneer Room, State Capitol

SB 2356  
3/20/2015  
Job # 25181

☐ Subcommittee  
☐ Conference Committee

Committee Clerk Signature



### Explanation or reason for introduction of bill/resolution:

To provide for legislative management studies of oil and gas and abandoned gravel pit reclamation practices and standards.

### Minutes:

Attachments 0

**Chairman Porter** opens discussion, briefly explains bill.

Rep. Dick Anderson do we have language in 1358 that covers the oil and gas verbiage that we have section 2 in this bill?

**Rep. Dick Anderson:** I think we do.

**Chairman Porter:** Do we want to remove section 2?

**Rep. Bill Devlin:** I would move that we take out section 2; I think we could end the bill after the word assembly on line 15.

**Rep. Mike Nathe:** Second.

**Voice vote:** Carries

**Rep. Curt Hofstad:** I move a Do Pass as Amended.

**Rep. Mike Nathe:** Second.

**Rep. Bill Devlin:** We have a number of really vital studies to the state of North Dakota coming before legislative management and they're going to have some tough decisions to make. I don't know if this one rises to the surface.

**Vote:** Yes 9, No 4, Absent 0.

**Rep. Naomi Muscha:** Carrier.

**Chairman Porter** closes discussion.

March 20, 2015

*JH*  
*3-20-15*

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2356

Page 1, line 1, after the second "for" insert "a"

Page 1, line 1, replace "studies of oil and gas and" with "study of"

Page 1, line 6, replace "include the consideration of" with "address the"

Page 1, line 8, after "lands" insert a comma

Page 1, remove lines 16 through 24

Page 2, remove lines 1 through 10

Renumber accordingly

Date: 3/20/15  
Roll Call Vote #: #1

**2015 HOUSE STANDING COMMITTEE**  
**ROLL CALL VOTES**  
**BILL/RESOLUTION NO. HB 2356**

House Energy and Natural Resources Committee

☐ Subcommittee

Amendment LC# or Description: 15.0994.02001

Recommendation: ☒ Adopt Amendment  
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☐ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Rep Devlin Seconded By Rep Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Porter			Rep Hunsakor		
Vice Chairman Damschen			Rep Mock		
Rep D Anderson			Rep Muscha		
Rep Brabandt					
Rep Devlin					
Rep Froseth					
Rep Hofstad					
Rep Keiser					
Rep Lefor					
Rep Nathe					

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

To take out section 2; end the bill on line 15 after the word, "assembly."

Date: 3/20/15  
Roll Call Vote #: 2

2015 HOUSE STANDING COMMITTEE

ROLL CALL VOTES

BILL/RESOLUTION NO. HB 2356

House Energy and Natural Resources Committee

☐ Subcommittee

Amendment LC# or Description: \_\_\_\_\_

Recommendation: ☐ Adopt Amendment  
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation  
☒ As Amended ☐ Rerefer to Appropriations  
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider ☐ \_\_\_\_\_

Motion Made By Rep. Hofstad Seconded By Rep. Nathe

Representatives	Yes	No	Representatives	Yes	No
Chairman Porter	✓		Rep Hunsakor	✓	
Vice Chairman Damschen	✓		Rep Mock	✓	
Rep D Anderson		✓	Rep Muscha	✓	
Rep Brabandt		✓			
Rep Devlin		✓			
Rep Froseth	✓				
Rep Hofstad	✓				
Rep Keiser	✓				
Rep Lefor		✓			
Rep Nathe	✓				

Total (Yes) 9 No 4

Absent 0

Floor Assignment Rep Muscha

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE**

**SB 2356, as engrossed: Energy and Natural Resources Committee (Rep. Porter, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (9 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2356 was placed on the Sixth order on the calendar.**

Page 1, line 1, after the second "for" insert "a"

Page 1, line 1, replace "studies of oil and gas and" with "study of"

Page 1, line 6, replace "include the consideration of" with "address the"

Page 1, line 8, after "lands" insert a comma

Page 1, remove lines 16 through 24

Page 2, remove lines 1 through 10

Renumber accordingly

**2015 CONFERENCE COMMITTEE**

**SB 2356**

# 2015 SENATE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Fort Lincoln Room, State Capitol

SB 2356  
4/2/2015  
Job 25781

☐ Subcommittee  
☒ Conference Committee

Committee Clerk Signature

*Kate Oliver*

### Explanation or reason for introduction of bill/resolution:

To provide for a legislative management study of oil and gas and abandoned gravel pit reclamation practices.

Minutes:

Senator Laffen opened the hearing on 2356, roll was taken and all members were present.

Senator Laffen: This bill started out as a bill to study reclamation practices for both oil and gas sites and abandoned gravel sites. We split the language on the Senate side into 2 portions; we thought it would be simpler to understand that way as they are not really related to each other. I believe that the House took out the second half which is the study on oil and gas reclamation practice so I think that we will start by having you explain your thoughts on removing that section.

Representative Brabandt: Section 2 is basically covered in HB 1358 so there was no need for it.

Senator Laffen: I looked through HB 1358 and it looks like it adds more money to the abandoned well fund but it doesn't deal with the practice of reclaiming these sites 40 or 50 years from now and what do we do now as we put it in place. I did go back and find out that we do have administrative rules in section 43 and it mostly leaves it up to oil and gas division of minerals to set those rules. There is quite a bit in there, we have no legislative control over that.

Senator Schaible: We thought it was important to look at some of the things early to get a head of it. It is better to be head, that is also why we split it up, too.

Senator Laffen: The idea of the study is that it would say that the oil and gas industry would reclaim these at the end and HB 1358 deals with the reclamation fund where they are abandoned and they become the state's problem to fix.

Representative Nathe: We saw this as a duplication of HB 1358 but I think that what we would like to do is go through HB 1358 and make sure it is covered and compare it against section 2. I think that there are some things that are covered by HB 1358, some of the

things that are talked about are the results might be covered. Come back with more information.

Senator Laffen: Check to see if HB 1358 deals with only abandoned oils well and I think that SB 2356 wants to study the industry practice of what they need to do at the end.

There was no further discussion and Senator Laffen closed the conference committee on SB 2356.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Energy and Natural Resources**  
Fort Lincoln Room, State Capitol

SB 2356  
4/6/2015  
25826

☐ Subcommittee  
☒ Conference Committee

Committee Clerk Signature

*Katie Oliver*

## Explanation or reason for introduction of bill/resolution:

To provide for a legislative management study of oil and gas and abandoned gravel pit reclamation practices.

## Minutes:

Senator Laffen: The issue that we are all debating is the legislative management study on studding reclamation management. IS this included in HB 1358, what did you find out?

Representative Brabandt: My concern is that there are too many studies; I do not think we have had one for gravel pits before. I think we should get rid of the oil and gas and just leave gravel pit.

Representative Nathe: Let's do what has already passed pass before we put section 2 back into the bill. I think that we have enough studies going on and HB 1358 does cover most of the section 2 in SB 2356.

Senator Laffen: Show me where in HB 1358 where it covers the study for reclamation standards.

Representative Nathe: We have passed HB 1358 with a number of different studies and I suggest we let those run their course and see what becomes of them before we take this one up.

Chairman Schaible: I agree that there are too many studies, the gravel pits was an initial one, and it should get put on the list. There is no downside to studying this I think that there is validity in this; the sooner we study things like this the better we will be. If we are making changes it is going to take a long time the changes.

Senator Laffen: The way this would work, there is a lot of policy for reclaiming sights in the Department of Minerals. The first step is to tell us what we are doing, we would need to enact legislation at least on our side know what our policy is. Do we have the policy in place that will tell oil and gas what they need to do upfront?

Representative Nathe: Looking at HB 1358, page 3, line 6 through 23, it sets up a guideline on how the commission would spend the \$1,500,000 and it puts the reclamation and restoration of mineral water resources into play. It puts this into motion you can see the 4 points that the money would be used for. I think that given the biennium to work and see what the results are, what had been done, what needs to be done.

Senator Laffen: It is only for those oil wells that were abandoned before August 1, 1983.

Representative Nathe: I have to think they have to learn what works and what doesn't work.

Representative Brabandt: It does say in both cases shall consider.

Senator Laffen: I am not all that gung ho on studying gravel pits but that isn't the piece we are debating anymore.

Representative Muscha: I can agree with Representative Nathe on the older issues but going forward could we not blend them together? We can obviously learn from the mistakes and the area that has had issues in the past. We do know that there has been success with coal. Who there and not in the oil fields.

Senator Laffen: I am not sure we are not having success; I tried to read the admin rules for the oil and gas industry and it was difficult for me to understand all the rules and regulations. For me it would be good for the department to come in and talk to us about how it relates to the coal reclamation standards. I see HB 1358 as more of a cleanup than a standard for new construction.

Representative Muscha: Coming from where I am from a lot of people hear mostly negative on how things are not being taken care of. Could we not do better?

Representative Nathe: Looking at the administrative rules in the interim is something that can be done without a study.

Senator Murphy: Would it be beneficial to call the person from the Department of Mineral Resources.

Alison Ritter: Public Information Officer with the Department of Minerals. The commission has not taken a position on this bill but to answer your question in 43 that is the chapter in administrative rules where you can find the beginning of reclamation practices. Chapter 43 is where the code relates to.

Representative Nathe: In rule 43?

Alison Ritter: We also have a policy and guidebook that is on our website for reclamation practices.

Representative Nathe: When it comes to reclamation when was the last time the policy was looked at?

Alison Ritter: I do not know that off the top of my head. In 1983 was the turning point because it was reserving topsoil. Topsoil now have to remain onsite, it was not reserved and kept near the well site.

There was no further discussion and Senator Laffen closed the committee hearing on SB 2356.

# 2015 SENATE STANDING COMMITTEE MINUTES

**Energy and Natural Resources**  
Fort Lincoln Room, State Capitol

SB 2356  
4/8/2015  
25923

☐ Subcommittee  
☒ Conference Committee

Committee Clerk Signature

*Kate Oliver*

## Explanation or reason for introduction of bill/resolution:

To provide for a legislative management study of oil and gas and abandoned gravel pit reclamation practices.

## Minutes:

Senator Laffen called the committee to order, roll was taken and all committee members were present.

Senator Laffen: What we are trying to get to is a place where we understand what our reclamation standards are. I think that we can agree to accede to the House amendments.

Senator Murphy made a motion that the Senate accede to the House Amendments with a second by Representative Nathe. There was no further discussion, roll was taken and the motion passed on a 4-2-0 count with Senator Laffen carrying the bill to the floor of the Senate and Representative Brabandt carrying the bill to the floor of the House.

There was no further discussion and Senator Laffen closed the conference committee on SB 2356.

**2015 SENATE CONFERENCE COMMITTEE  
ROLL CALL VOTES**

BILL/RESOLUTION NO. 2356 as (re) engrossed

Senate "Enter committee name" Committee

- Action Taken ☒ **SENATE accede to House Amendments**  
☐ **SENATE accede to House Amendments and further amend**  
☐ **HOUSE recede from House amendments**  
☐ **HOUSE recede from House amendments and amend as follows**  
  
☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Murphy Seconded by: Representative Nathe

Senators				Yes	No		Representatives				Yes	No
Senator Laffen	X			X			Representative Brabandt	X			X	
Senator Schaible	X				X		Representative Nathe	X			X	
Senator Murphy	X			X			Representative Muscha	X				X
Total Senate Vote							Total Rep. Vote					

Vote Count Yes: 4 No: 2 Absent: 0

Senate Carrier Senator Laffen House Carrier Representative Brabandt

LC Number \_\_\_\_\_ . \_\_\_\_\_ of amendment

LC Number \_\_\_\_\_ . \_\_\_\_\_ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**REPORT OF CONFERENCE COMMITTEE**

**SB 2356, as engrossed:** Your conference committee (Sens. Laffen, Schaible, Murphy and Reps. Brabandt, Nathe, Muscha) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 945 and place SB 2356 on the Seventh order.

Engrossed SB 2356 was placed on the Seventh order of business on the calendar.

**2015 TESTIMONY**

**SB 2356**

February 17, 2015

PROPOSED AMENDMENTS TO SENATE BILL NO. 2356

2/19/15

Attachment 1

Page 1, line 5, replace "study oil and gas and" with "consider studying"

Page 1, line 6, replace "must" with "may"

Page 1, line 7, remove "oil and gas"

Page 1, line 8, remove "development-impacted areas and"

Page 1, line 8, remove ", natural erosion events,"

Page 1, line 9, after "projects" insert "on state and county lands"

Page 1, line 9, remove "clean"

Page 1, line 10, replace "water initiatives" with "other economic enterprises"

Page 1, line 10, replace "shall" with "may"

Page 1, line 11, remove "or repurposed"

Page 1, line 12, replace "shall" with "may"

Renumber accordingly

Sixty-third  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1349

Introduced by

Representatives Damschen, Hunsakor, Kempenich, Monson

Senators Andrist, O'Connell

Senator Schiabe  
SB 2356  
2/19/15  
Attachment 2

1 A BILL for an Act to provide for a legislative management study of reclamation standards.

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

3 **SECTION 1. LEGISLATIVE MANAGEMENT STUDY - OIL AND GAS RECLAMATION**  
4 **STANDARDS.**

- 5 1. During the 2013-2014 interim, the legislative management shall study whether  
6 reclamation standards related to oil and gas development can be improved to ensure  
7 the successful reclamation of agricultural lands in this state, and to ensure that  
8 productivity of these agricultural lands following reclamation is as near as possible to  
9 the land's productivity before being used for oil and gas production. The study may  
10 include consideration of:
- 11 a. Whether performance standards found in North Dakota Administrative Code  
12 chapter 69-05.2 and used by the North Dakota public service commission for  
13 reclamation of surface coal-mined lands should be utilized by the North Dakota  
14 industrial commission for reclamation of lands used for oil and gas development.
- 15 b. Whether additional and more detailed reclamation standards should be included  
16 in state law and administrative rule, what standards should be included, and in  
17 what manner such standards should be included.
- 18 c. Input from representatives from the department of mineral resources, the school  
19 of natural resource sciences' department of soil science at North Dakota state  
20 university, the department of trust lands, the public service commission, the state  
21 department of health, landowner groups, and professional soil classifiers  
22 regulated by the state board of registration for professional soil classifiers.

Sixty-third  
Legislative Assembly

- 1        2.    The legislative management shall report its findings and recommendations, together
- 2            with any legislation required to implement the recommendations, to the sixty-fourth
- 3            legislative assembly.

# 1 p1

**Senate Bill 2356**  
**Testimony of Troy Coons**  
**Vice President, Northwest Landowners Association**  
**House Energy and Natural Resources Committee**  
**March 12, 2015**

Good morning, Mr. Chairman and members of the committee. My name is Troy Coons, Chairman of the Northwest Landowners Association. We represent 450-plus farm and ranch family property owners. I am here in support of Senate Bill 2356.

We are hoping that with this study bill, we can follow the path that worked for the PSC and coal to develop best practices for reclamation of oil drilling sites, tank batteries, and gravel pits. With these sites, there are also effects on adjoining acres from watershed, potholes, little rivers, etc.

This bill would answer many of the questions that I heard last week on Senate Bill 2251, a study bill of bonding levels. There were questions relating to saltwater and crude oil spills and how they affect soils along with questions on clay as a barrier.

Obviously, coal and oil are completely different. But to give an example of the size of acreage developed with coal compared to oil: there has been 70,000 acres mined and reclaimed at a rate of 1,000 to 1,5000 acres per year. In Mountrail County alone, 54,000 acres, and has been taken out of agricultural production since the Bakken oil play starting with only a small percentage that was developed.

So, while there are many differences between coal and oil development, there are many similarities, which brings to mind Gov. Art Link's 1973 speech regarding reclamation of coal acreage. He said:

And when we are through with that, and the landscape is quiet again, when the draglines, the blasting rigs, the power shovels and the huge gondolas cease to rip and roar, and when the last bulldozer has pushed the last spoil pile into place and the last patch of barren earth has been seeded to grass or grain.

Let those who follow and repopulate the land be able to say, "Our grandparents did their job well. This land is as good as, and, in some cases, better than, before." Only if they can say this will we be worthy of the rich heritage of our land and its resources.

Thank you Mr. Chairman and members of the committee. I stand for any questions you may have.