

Introduced by

Natural Resources Committee

(At the request of the Industrial Commission)

1 A BILL for an Act to amend and reenact section 38-08-04.9 of the North Dakota Century Code,  
2 relating to confiscation by the state of well-site equipment and salable oil.

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

4 **SECTION 1. AMENDMENT.** Section 38-08-04.9 of the North Dakota Century Code is  
5 amended and reenacted as follows:

6 **38-08-04.9. Confiscation of equipment and salable oil to cover plugging costs.** ~~If~~  
7 ~~the commission, its agents, employees, or contractors plugs, replugs a well, or restores a well~~  
8 ~~site pursuant to sections 38-08-04.4, 38-08-04.5, 38-08-04.7, 38-08-04.8, 38-08-04.9 and~~  
9 ~~38-08-04.10, the commission, after notice and hearing, may order the confiscation of any~~  
10 ~~production-related equipment at the abandoned well site owned by the operator or any working~~  
11 ~~interest owner for the purpose of wholly or partially compensating the state for the cost of~~  
12 ~~plugging or replugging or site restoration. When the commission intends to exercise or has~~  
13 ~~exercised its right to plug a well or reclaim a well site, the commission, as compensation for its~~  
14 ~~costs, may confiscate any production-related equipment and salable oil at the well site. The~~  
15 ~~equipment and oil subject to confiscation is limited to that owned by the well's operator, former~~  
16 ~~operator, or working interest owner. A confiscation must be by an order of the commission after~~  
17 ~~notice and hearing. A confiscation order transfers title to the commission.~~