

HOUSE BILL NO. 1322

Introduced by

Representatives Nelson, Devlin, S. Meyer

Senators Bercier, Freborg

1 A BILL for an Act to amend and reenact sections 38-08.1-01 and 38-08.1-04.1 of the North
2 Dakota Century Code, relating to definitions and exploration permit requirements to conduct
3 geophysical exploration.

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

5 **SECTION 1. AMENDMENT.** Section 38-08.1-01 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **38-08.1-01. Definitions.** As used in this chapter, unless the context requires
8 otherwise:

- 9 1. "Commission" means the industrial commission.
- 10 2. "Geophysical exploration" means any method of obtaining petroleum-related
11 geophysical surveys.
- 12 3. "Operator of the land" means the surface owner or the surface owner's tenant of
13 the land upon or within one-half mile [.80 kilometer] of the land on which
14 geophysical operations are to be conducted.
- 15 4. "Permitting agent" means a person who secures a permit from an operator of the
16 land to conduct geophysical exploration activities.
- 17 5. "Person" means and includes any natural person, corporation, limited liability
18 company, association, partnership, receiver, trustee, executor, administrator,
19 guardian, fiduciary, or other representative of any kind, and includes any
20 department, agency, or instrumentality of the state or of any governmental
21 subdivision thereof.

22 **SECTION 2. AMENDMENT.** Section 38-08.1-04.1 of the North Dakota Century Code
23 is amended and reenacted as follows:

24 **38-08.1-04.1. Exploration permit.**

- 1 1. Upon filing a complete application for permit to explore pursuant to section
2 38-08.1-04, the commission may issue to any person desiring to engage in
3 geophysical exploration a "geophysical exploration permit". A person may not
4 engage in geophysical exploration activities in this state without having first
5 obtained a geophysical exploration permit from the commission.
- 6 2. The permit must show, at a minimum:
 - 7 a. The name of the person.
 - 8 b. The name and address of the resident agent for service of process.
 - 9 c. That an application to engage in geophysical exploration has been duly filed.
 - 10 d. That a good and sufficient surety bond has been filed by the person, naming
11 the surety company and giving its address.
- 12 3. The permit must be signed by the director of the commission's oil and gas division
13 or the director's designee. The permit is valid for one year.
- 14 4. Within seven days of initial contact between the permitting agent and the operator
15 of the land, the permitting agent must provide the operator of the land a written
16 copy of chapter 38-11.1.
- 17 5. ~~The permitholder~~ permitting agent shall notify the operator of the land at least ~~three~~
18 seven days ~~prior to~~ before the commencement of any geophysical exploration
19 activity, unless waived by mutual agreement of both parties. The notice must
20 include the approximate time schedule and the location of the planned activity.
- 21 ~~5-~~ 6. The permit or a photostatic copy thereof must be carried at all times by a member
22 of the crew during the period of geophysical exploration and must be exhibited
23 upon demand of the landowner or tenant operator or county or state official.
- 24 ~~6-~~ 7. The permitholder shall notify the county auditor or the auditor's designee at least
25 twenty-four hours, excluding Saturdays and holidays, before the permitholder
26 commences geophysical exploration in the county. Notice must include the
27 approximate time schedule and location of the planned activity.
- 28 8. Upon request of the operator of the land, the permitting agent must have a certified
29 test performed on any domestic, livestock, or irrigation water supply located on the
30 property to determine the quantity and quality of water from the water supply
31 before commencement of any geophysical exploration activity. The permitting

1 agent must provide a copy of the certified test to the operator of the land. To have
2 a certified test performed by the permitting agent under this subsection, the
3 operator of the land shall notify the permitting agent at least seven days before the
4 commencement of any geophysical activity.