PROPOSED AMENDMENTS TO HOUSE BILL NO. 1235

Page 1, line 2, remove the second "and"

Page 1, line 3, after "date" insert "; and to declare an emergency"

Page 2, line 1, overstrike ""Horizontal well" means a well with a horizontal displacement of the well bore"

Page 2, overstrike lines 2 and 3

Page 2, line 4, remove "3."

Page 2, line 7, replace "4." with "3."

Page 2, line 13, replace "5." with "4."

Page 2, line 24, replace "6." with "5."

Page 3, line 21, replace "7." with "6."

Page 3, line 24, replace "8." with "7."

Page 4, line 20, replace "five" with "three and seventy-five hundredths"

Page 5, line 14, overstrike "**Exemptions from oil**" and insert immediately thereafter "**Oil**" and after "**tax**" insert "**exemptions and rate reductions**"

Page 10, replace lines 12 through 31 with:

"8. 4. The initial production of oil from a well is exempt from any taxes imposed under this chapter for a period of sixty months if:

    a. The well is located within the boundaries of an Indian reservation;

    b. The well is drilled and completed on lands held in trust by the United States for an Indian tribe or individual Indian; or

    c. The well is drilled and completed on lands held by an Indian tribe if the interest is in existence on August 1, 1997.

9. 5. The first seventy-five thousand barrels of oil produced during the first eighteen months after completion, from a horizontal well drilled and completed in the Bakken formation after June 30, 2007, and before July 1,

~~2008~~ April 30, 2009, is subject to a reduced tax rate of two percent of the gross value at the well of the oil extracted under this chapter. ~~A well eligible for a reduced tax rate under this subsection is eligible for the exemption for horizontal wells under subsection 3, if the exemption under subsection 3 is effective during all or part of the first twenty-four months after completion.~~"

Page 11, line 2, replace "June" with "April"

Page 11, after line 2, insert:

      "**SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly