Testimony of Troy Coons on behalf of Northwest Landowners Association in opposition to HOUSE BILL NO. 1510 House Judiciary Committee February 7, 2023

Chairman Klemin and members of the committee, thank you for taking my testimony into consideration today.

My name is Troy Coons and I am the Chairman of the Northwest Landowners Association. Northwest Landowners Association represents over 525 farmers, ranchers, and property owners in North Dakota. Northwest Landowners Association is a nonprofit organization, and I am not a paid lobbyist.

We oppose HB 1510 because the attorneys' fees reimbursement provisions of this statute were set up to ensure that it is economic for individual landowners to bring claims related to oilfield uses against large oil companies with significant resources. Litigation is expensive and the claims that exist under the surface damage act are not always claims with a value high enough to justify litigation. The purpose of the provision granting the landowner their fees is to ensure that claims for oilfield uses on small acreages are economic to litigate if the offer from the developer is unreasonable. As of right now, we do not hear of a lot of landowners needing to litigate under this provision.

Amending the law in this way will make it uneconomic for landowners to litigate claims under the surface damage act, and the result will be landowners receiving far less compensation in the oilfield. In general we believe many operators pay reasonable compensation right now in order to avoid litigation specifically because of this attorneys' fees provision. With this change, it will be in the operator's interest to engage in litigation and we will see fewer landowners receiving reasonable compensation. This change is unnecessary and it strips landowners of rights they have long held under the surface damage act. Please do not remove these crucial protections for landowners, and vote do not pass on HB 1510.

Thank you,

Troy Coons
Northwest Landowners Association