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# MINING

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## CHAPTER 168.

[S. B. No. 14—Gunderson]

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### MINING EXPERIMENT SUB-STATION CREATED.

AN ACT Creating and Establishing a Mining Experiment Sub-Station Under the Direction of the State School of Mines at the State University, and Providing for Its Management.

*Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ 1. STATION CREATED.] In order to promote the development of the mining interests, particularly with the reference to the best methods of mining and utilizing lignite coal and clays, and to give the most practical service to that portion of the state in which these resources exist, there is hereby created and established a mining experiment station, to be located at such a place as may seem best suited for the purposes herein mentioned and in accordance with the provisions of this act. Said mining experiment station shall be a sub-station in connection with the state school of mines at the state university and under the direction of the board of trustees of said institution.

§ 2. PURPOSES OF STATION. BULLETINS ISSUED.] The purpose of this mining experiment station shall be to aid in developing the mineral resources of the state, particularly the coal and clays. Actual mining and treatment of coal, clays and other mineral resources shall be conducted at this sub-station and a variety of experiments shall be carried on to determine the most scientific and best methods of mining, timbering and ventilating and preparing lignite coal and other products for the market. Special attention shall be paid to the study of prevention of losses and accidents in mining, to securing the most intelligent conservation, use and development of the mining resources of the state, to make more safe the work of mining and to render mining property more productive; in short to carry on such practical mining experiments as will promote the general welfare of the mining industry. At this station the students of the school of mines shall be instructed during some portion of the year as to the best methods of mining and handling lignite coal, clays, etc. The best and most scientific methods of mining shall be investigated, and so far as possible, actually carried on at this station, and whenever practicable, an opportunity

shall be afforded for mine owners and workers to secure information and instruction in the most improved methods of developing and operating coal and other mines, applicable to this state. Bulletins shall be issued from time to time, giving detailed information of the experiments conducted, the results achieved, and advise as to the best methods of mining and utilizing the coal and other mineral resources of the state.

§ 3. UNDER WHOSE CONTROL.] The work of this station shall be under the general direction of the board of trustees of the state university and school of mines, and under the immediate charge of the dean of the school of mines. All receipts and expenditures shall be under the direction of the board of trustees. Coal and products of this station which are not needed for the work of the station may be turned over to the university, or any other state institution at the cost of production, but the production of coal or any other material shall be only incidental to the experimental work of the station.

§ 4. LOCATION.] This experimental sub-station shall be located on a tract of at least eighty acres of land at or near Hebron, Morton county, and underlaid by a workable vein of lignite coal, the location to be as accessible as possible and consistent with the necessary operations of such station, due consideration being given to nearness and accessibility of deposits of clays and other mineral resources of the state. In case such suitable location can be secured on lands owned by any of the state institutions or the common schools of the state, one hundred and sixty acres of such lands shall be transferred to the school of mines by the board of university and school lands and an equal amount of land now owned by the school of mines and of equal appraised value shall be transferred by such board of university and school lands to replace the land hereby transferred to such school of mines. If suitable land cannot be thus secured, a tract of at least eighty acres may be purchased, if necessary, by the board of trustees of the state university and school of mines.

§ 5. EMERGENCY.] An emergency exists in this, that there is no provision by law for such mining experiment station, therefore this act shall take effect and be in force from and after its passage and approval.

Approved March 3, 1909.

CHAPTER 169.

[S. B. No. 284—Stevens]

CORPORATION STATEMENTS.

AN ACT to Regulate the Sale and Offering for Sale of Mining Stocks or Shares Within the State of North Dakota and to Provide Penalties for the Violation Thereof.

*Be It Enacted by the Legislative Assembly of the State of North Dakota:*

§ 1. MINING CORPORATIONS TO FILE STATEMENT BEFORE OFFERING STOCK FOR SALE.] No shares or certificates of stock in any mining corporation established under the laws of this state, or any state, territory, province, country or government, shall be sold or offered for sale within this state by such corporation, or by any person, firm, association or corporation acting as agent, representative, attorney or broker for such corporation, until such corporation shall have filed in the office of the secretary of state a statement under oath, showing the financial condition of such corporation; the location of the mine or mines, owned by such corporation, with plans of the same; the amount of work done thereon; the amount of cash expended for improvements thereon and the condition of the plant and machinery connected therewith. Such statements shall be signed by the president, secretary and treasurer of such corporation and shall be verified by the oath of each of such officers to the effect that the same is in all respects true.

§ 2. FORM OF STATEMENT. FEE FOR FILING.] The statement provided for in section one of this act shall be in substantially the following form:

STATEMENT.

of the

....., a corporation organized under the laws of the state, territory or province of ..... and operating ..... mines located in or near the town of or mining district of ....., county of ....., state of .....

I.

1. Amount of authorized capital stock .....
2. Amount of capital stock issued .....
3. Amount of capital stock held by corporation .....
4. Amount of capital stock issued in payment of property.....
5. Amount of capital stock sold for cash .....
6. Amount of cash received in payment for stock .....

- 7. Value and description of property received in payment for stock .....
- 8. Amount of debts or liabilities in
  - (a) Bonds (stating rate of interest, and time at which bonds fall due) .....
  - (b) Other indebtedness .....
- 9. Amount of cash on hand .....
- 10. Amount of credits and estimated value thereof:
  - (a) Notes .....
  - (b) Bills receivable .....
  - (c) Accounts receivable .....
- 11. Present value of property of corporation .....
- 12. Number and amount of dividends declared .....
- 13. Rate of last dividend, and date when same was declared and paid .....

II.

- 1. Location of property owned (to be accompanied by plans of the same) .....
- 2. Amount of work done on the property, showing extent of development .....
- 3. Amount of cash expended for improvements on said properties .....
- 4. Description of plant and machinery, and their present condition .....

Dated at ..... this ..... day of ..... 190...  
 ..... President.  
 ..... Secretary.  
 ..... Treasurer.

State of .....

ss.

County of .....

On this.....day of....., 190...., personally appeared ..... president, ..... secretary and ..... treasurer of the ..... and who being by me duly sworn did each for himself depose and say that the foregoing statement by them signed is in all respects correct, true and accurate.

Notary Public.

A fee of twenty-five dollars for filing such statement shall be paid to the secretary of state by such corporation, at the time such statement is presented for filing.

§ 3. SECRETARY OF STATE TO KEEP DOCKET OPEN TO PUBLIC INSPECTION.] It shall be the duty of the secretary of state to provide and keep in his office and open to public inspection a docket with appropriate blanks and indices, and to forthwith and as soon as the

statement provided for in section one of this act is filed in his office, enter therein the name of the corporation filing the same, together with a copy of the statement.

§ 4. PUNISHMENT FOR VIOLATION OF PRECEDING SECTIONS.] Any person who sells or offers for sale within this state any shares or certificates of stock in any mining corporation which has not filed a statement in accordance with the provisions of sections one and two of this act, is guilty of a misdemeanor.

§ 5. PUNISHMENT FOR VIOLATION OF PRECEDING SECTIONS BY CORPORATIONS.] Any corporation or officer or agent thereof, or any broker, selling or offering for sale shares or certificates of stock in any mining corporation which has not filed the statement in accordance with the provisions of sections one and two of this act is guilty of a misdemeanor, and in addition thereto shall forfeit to the people of the state the sum of one thousand dollars for each and every offense, to be recovered in an action to be brought by the attorney general. The secretary of state shall report to the attorney general at least once in three months the names of all agents, corporations or brokers who to his knowledge are engaged in the sale of shares or certificates of stock in mining corporations which have failed to comply with the provisions of this act. The moneys forfeited by this section, when recovered, shall be paid into the state treasury, except, that where the fact of the violation of this act is brought to the knowledge of the attorney general by a person other than a person holding a public office within this state, one-half of the moneys recovered for a violation of this act shall be paid to such person so furnishing the information and knowledge of such violation to the attorney general as aforesaid.

§ 6. MAKING FALSE STATEMENT.] Any officer of a mining corporation who, in making the statement prescribed by section two of this act, willfully makes any statement which he knows to be false, is guilty of a misdemeanor.

§ 7. EMERGENCY.] An emergency exists in that there is no law in North Dakota regulating the manner in which mining stocks and shares shall be sold, therefore this act shall take effect and be in force from and after its passage and approval.

Approved March 15, 1909.