

## 1 SENATE BILL NO. 41

2 INTRODUCED BY T. RICHMOND

3 BY REQUEST OF THE DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION

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5 A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE REQUIREMENT FOR BIDS ON OIL AND GAS  
6 LEASE SALES TO BE MADE ORALLY; AMENDING SECTION 77-3-411, MCA; AND PROVIDING AN  
7 IMMEDIATE EFFECTIVE DATE."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **Section 1.** Section 77-3-411, MCA, is amended to read:

12 **"77-3-411. Notice of lease sale required.** (1) Within 15 days of the previous oil and gas lease sale, the  
13 department shall publish the date and place of the upcoming sale in a publication of general circulation in  
14 Montana and on the department's website.

15 (2) (a) The department shall accept nominations of tracts for an upcoming sale until 77 days prior to the  
16 date of the sale.

17 (b) Upon receipt of a nomination by the department, the location of the tracts is public information.

18 (3) At least twice, the department shall publish a notice containing the time and place of the sale, a  
19 statement that all sales will be by competitive ~~oral~~ bidding, and the number of tracts in each county offered for  
20 sale at the time of the notice on the department's website and in a publication of general circulation in Montana:

21 (a) not less than 63 days before the date of an upcoming sale; and

22 (b) between 21 days and 35 days before the date of the sale.

23 (4) In a publication of general circulation in each county where a tract is nominated for sale, the  
24 department shall publish a notice in compliance with subsection (3), except that each notice needs to contain only  
25 the number of tracts nominated for sale in that county and notice that a description and maps of tracts nominated  
26 are available on the department's website.

27 (5) The department shall publish on its website a description and maps of all tracts to be offered for sale.

28 (6) (a) Except as provided in subsection (6)(b), the department shall provide notice by first-class mail  
29 to surface owners of a tract being offered for sale using the most current known property owners of record as  
30 shown in the records of the county clerk and recorder of the county where the tract is located.

1 (b) The notice in subsection (6)(a) is not required if the surface is managed by the department pursuant  
2 to Title 77, chapter 1.

3 (7) The notice required by subsection (6) must contain the time and place of the sale, a statement that  
4 all sales will be by competitive oral bidding, and a description and area map of each tract offered for sale."

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6 NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

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