

Introduced by

Senators Kannianen, Bekkedahl, Burckhard

Representatives Fegley, Longmuir

1 A BILL for an Act to amend and reenact paragraph 12 of subdivision a of subsection 1 of section  
2 38-08-04 of the North Dakota Century Code, relating to the authority of the industrial  
3 commission.

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

5 **SECTION 1. AMENDMENT.** Paragraph 12 of subdivision a of subsection 1 of section  
6 38-08-04 of the North Dakota Century Code is amended and reenacted as follows:

7 (12) The placing of wells in abandoned-well status which have not produced oil  
8 or natural gas in paying quantities for one year. A well in abandoned-well  
9 status must be promptly returned to production in paying quantities,  
10 approved by the commission for temporarily abandoned status, or plugged  
11 and reclaimed within six months. If none of the three preceding conditions  
12 are met, the industrial commission may require the well to be placed  
13 immediately on a single-well bond in an amount equal to the cost of  
14 plugging the well and reclaiming the well site. In setting the bond amount,  
15 the commission shall use information from recent plugging and reclamation  
16 operations. After a well has been in abandoned-well status for one year, the  
17 well's equipment, all well-related equipment at the well site, and salable oil  
18 at the well site are subject to forfeiture by the commission. If the commission  
19 exercises this authority, section 38-08-04.9 applies. After a well has been in  
20 abandoned-well status for one year, the single-well bond referred to above,  
21 or any other bond covering the well if the single-well bond has not been  
22 obtained, is subject to forfeiture by the commission. A surface owner may  
23 request a review of the temporarily abandoned status of a well that has  
24 been on temporarily abandoned status for at least ~~seven~~two years. The

1                                commission shall require notice and hearing to review the temporarily  
2                                abandoned status. After notice and hearing, the surface owner may request  
3                                a review of the temporarily abandoned status every two years.