

SENATE BILL NO. 2319

Introduced by

Senators Bercier, Fairfield, Mathern

Representatives Froelich, S. Meyer, Onstad

1 A BILL for an Act to create and enact a new section to chapter 38-08.1 of the North Dakota
2 Century Code, relating to regulation of geophysical exploration seismic shot hole operations;
3 and to amend and reenact sections 38-08.1-01 and 38-08.1-04.1 of the North Dakota Century
4 Code, relating to definitions and exploration permit requirements to conduct geophysical
5 exploration.

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

7 **SECTION 1. AMENDMENT.** Section 38-08.1-01 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **38-08.1-01. Definitions.** As used in this chapter, unless the context requires
10 otherwise:

- 11 1. "Commission" means the industrial commission.
- 12 2. "Geophysical exploration" means any method of obtaining petroleum-related
13 geophysical surveys.
- 14 3. "Operator of the land" means the surface owner or the surface owner's tenant of
15 the land upon or within one-half mile [.80 kilometer] of the land on which
16 geophysical operations are to be conducted.
- 17 4. "Permitting agent" means a person who secures a permit from an operator of the
18 land to conduct geophysical exploration activities.
- 19 5. "Person" means and includes any natural person, corporation, limited liability
20 company, association, partnership, receiver, trustee, executor, administrator,
21 guardian, fiduciary, or other representative of any kind, and includes any
22 department, agency, or instrumentality of the state or of any governmental
23 subdivision thereof.

1 **SECTION 2. AMENDMENT.** Section 38-08.1-04.1 of the North Dakota Century Code
2 is amended and reenacted as follows:

3 **38-08.1-04.1. Exploration permit.**

- 4 1. Upon filing a complete application for permit to explore pursuant to section
5 38-08.1-04, the commission may issue to any person desiring to engage in
6 geophysical exploration a "geophysical exploration permit". A person may not
7 engage in geophysical exploration activities in this state without having first
8 obtained a geophysical exploration permit from the commission.
- 9 2. The permit must show, at a minimum:
- 10 a. The name of the person.
- 11 b. The name and address of the resident agent for service of process.
- 12 c. That an application to engage in geophysical exploration has been duly filed.
- 13 d. That a good and sufficient surety bond has been filed by the person, naming
14 the surety company and giving its address.
- 15 3. The permit must be signed by the director of the commission's oil and gas division
16 or the director's designee. The permit is valid for one year.
- 17 4. Within seven days of initial contact between the permitting agent and the operator
18 of the land, the permitting agent must provide the operator of the land a written
19 copy of chapter 38-11.1.
- 20 5. ~~The permit holder~~ permitting agent shall notify the operator of the land at least ~~three~~
21 seven days ~~prior to~~ before the commencement of any geophysical exploration
22 activity, unless waived by mutual agreement of both parties. The notice must
23 include the approximate time schedule and the location of the planned activity.
- 24 ~~5-~~ 6. The permit or a photostatic copy thereof must be carried at all times by a member
25 of the crew during the period of geophysical exploration and must be exhibited
26 upon demand of the landowner or tenant operator or county or state official.
- 27 ~~6-~~ 7. The permit holder shall notify the county auditor or the auditor's designee at least
28 twenty-four hours, excluding Saturdays and holidays, before the permit holder
29 commences geophysical exploration in the county. Notice must include the
30 approximate time schedule and location of the planned activity.

1 8. Upon request of the operator of the land, the permitting agent must have a certified
2 test performed on any domestic, livestock, or irrigation water supply located on the
3 property to determine the quantity and quality of water from the water supply
4 before commencement of any geophysical exploration activity. The permitting
5 agent must provide a copy of the certified test to the operator of the land. To have
6 a certified test performed by the permitting agent under this subsection, the
7 operator of the land shall notify the permitting agent at least seven days before the
8 commencement of any geophysical activity.

9 **SECTION 3.** A new section to chapter 38-08.1 of the North Dakota Century Code is
10 created and enacted as follows:

11 **Shot hole operations - Distance restrictions.** Seismic shot hole operations may not
12 be conducted less than one thousand three hundred twenty feet [402.34 meters] from water
13 wells, buildings, underground cisterns, pipelines, stock dams, and flowing springs. Variances
14 may be granted to this section by written agreement between the permitholder and the operator
15 of the land. The agreement is available to the director of the oil and gas division.