

**SENATE BILL NO. 2319**

Introduced by

Senator Kannianen

1 A BILL for an Act to amend and reenact subsection 1 of section 57-51.2-02 of the North Dakota  
2 Century Code, relating to oil and gas agreements; and to provide an effective date.

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

4 **SECTION 1. AMENDMENT.** Subsection 1 of section 57-51.2-02 of the North Dakota  
5 Century Code is amended and reenacted as follows:

6 1. The only taxes subject to agreement are the state's oil and gas gross production and  
7 oil extraction taxes attributable to production from wells located within the exterior  
8 boundaries of the reservation and wells located on trust properties outside reservation  
9 boundaries. For purposes of this chapter, ~~"trust;~~

10 a. "Trust properties outside reservation boundaries" means land in this state located  
11 outside the exterior boundaries of a reservation which are held in trust by the  
12 United States for any Indian tribe or owned by an Indian tribe or tribal member  
13 subject to a restriction against alienation imposed by the United States.

14 b. "Wells located within the exterior boundaries of the reservation" includes wells  
15 with one or more horizontal laterals that penetrate the reservation.

16 **SECTION 2. EMERGENCY.** This Act is effective for agreements entered after July 31,  
17 2021.