

**2023 SENATE ENERGY AND NATURAL RESOURCES**

**SB 2059**

# 2023 SENATE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Peace Garden Room, State Capitol

SB 2059  
1/6/2023

A bill relating to the balance in the abandoned oil and gas well plugging and site reclamation fund.
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9:59 AM Chairman Patten called the meeting to order.

Present are Chariman Patten, Senators Magrum, Beard, Boehm, Kannianen and Kessel are present.

### Discussion Topics:

- Production Tax Fund
- Reclamation
- Plugging wells
- Bonding

10:00 AM Cody VanderBusch, Reclamation Supervisor for the Oil and Gas Division of DMR, introduced the bill and offered written testimony #12422.

10:13 AM Lynn Helm, Department of Natural Resources gave oral testimony in favor of the bill.

10:29 AM Troy Coons, Northwest Landowners Association, gave oral testimony in favor of the bill.

10:35 AM Derrick Braaten, legal counsel for Northwest Landowners, gave oral testimony in favor of the bill.

10:44 AM Troy Kuntz, Northwest Landowners Association gave oral testimony in favor of the bill.

11:04 AM Brady Pelton, Director, North Dakota Petroleum Council gave oral testimony in favor of the bill.

11:15 AM Chairman closed the public hearing.

11:16 AM Chairman Patten closed the meeting.

*Rick Schuchard, Committee Clerk*

# 2023 SENATE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Peace Garden Room, State Capitol

SB 2059  
1/12/2023

A bill relating to the balance in the abandoned oil and gas well plugging and site reclamation fund, and to provide an expiration date.
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10:26 AM Chairman Patten opened the meeting.

Chairman Patten and Senators Kessel, Kannianen, Boehm, Beard, and Magrum were present.

### Discussion Topics:

- Reclamation fund cap
- Well plugging
- Contamination
- Brine ponds

10:27 AM Lynn Helms, Department of Mineral Resources testified verbally in favor of the bill.

10:46 AM Senator Magrum moved to amend "as presented". No copy received. Proposed dollar amount increases and to do a study.

10:47 AM Motion dies due to a lack of a second.

10:48 AM Senator Kannianen moved to amend to include a sunset on the bill which would expire on June 30, 2027. Senator Beard seconded the motion. Voice Vote taken. Motion passed.

10:49 AM Senator Kannianen moved to Do Pass the bill as amended. Senator Boehm seconded the motion.

10:49 AM Roll call vote is taken.

Senators	Vote
Senator Dale Patten	Y
Senator Jeffery J. Magrum	Y
Senator Todd Beard	Y
Senator Keith Boehm	Y
Senator Jordan L. Kannianen	Y
Senator Greg Kessel	Y

Motion passed. 6-0-0

Senator Beard will carry the bill.

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This bill does not affect Workforce Development.

10:52 AM Chairman Patten closed the meeting.

*Rick Schuchard, Committee Clerk*

PROPOSED AMENDMENTS TO SENATE BILL NO. 2059

Page 1, line 3, after "fund" insert "; and to provide an expiration date"

Page 1, after line 11, insert:

**"SECTION 2. EXPIRATION DATE.** This Act is effective through June 30, 2027,  
and after that date is ineffective."

Renumber accordingly

*DR*  
*1 of 1*  
*1/12/2023*

**REPORT OF STANDING COMMITTEE**

**SB 2059: Energy and Natural Resources Committee (Sen. Patten, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2059 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 3, after "fund" insert "; and to provide an expiration date"

Page 1, after line 11, insert:

**"SECTION 2. EXPIRATION DATE.** This Act is effective through June 30, 2027, and after that date is ineffective."

Renumber accordingly

**2023 HOUSE ENERGY AND NATURAL RESOURCES**

**SB 2059**

# 2023 HOUSE STANDING COMMITTEE MINUTES

## Energy and Natural Resources Committee Coteau AB Room, State Capitol

SB 2059  
3/2/2023

Relating to the balance in the abandoned oil and gas well plugging and site reclamation fund; and to provide an expiration date.
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10:26 AM

Chairman Porter opened the hearing. Members present: Chairman Porter, Vice Chairman D. Anderson, Representatives Bosch, Conmy, Dockter, Hagert, Heinert, Ista, Marschall, Novak, Olson, Roers Jones, and Ruby. Absent: Rep Kasper.

### Discussion Topics:

- Amend cap
- Funds
- Fines

Cody Vanderbush, Reclamation Supervisor for the Oils and Gas Division of DMR, Testimony 21581

Brady Pelton, ND Petroleum Council, oral testimony

10:31 AM Chairman Porter closed the hearing.

Rep. D Anderson moved a Do Pass, seconded by Rep Bosch.

Representatives	Vote
Representative Todd Porter	Y
Representative Dick Anderson	Y
Representative Glenn Bosch	Y
Representative Liz Conmy	Y
Representative Jason Dockter	Y
Representative Jared Hagert	Y
Representative Pat D. Heinert	Y
Representative Zachary Ista	Y
Representative Jim Kasper	AB
Representative Andrew Marschall	Y
Representative Anna S. Novak	Y
Representative Jeremy Olson	Y
Representative Shannon Roers Jones	AB
Representative Matthew Ruby	Y

**12-0-2 Motion carried. Rep Olson is carrier.**

10:33 AM Chairman Porter closed the meeting.

*Kathleen Davis, Committee Clerk*

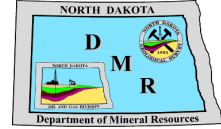


**REPORT OF STANDING COMMITTEE**

**SB 2059, as engrossed: Energy and Natural Resources Committee (Rep. Porter, Chairman) recommends DO PASS (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING).** Engrossed SB 2059 was placed on the Fourteenth order on the calendar.

**TESTIMONY**

**SB 2059**



Bill #: SB 2059

Date of Testimony: January 6, 2023

Good morning, Chairman Patten and members of the Senate Energy and Natural Resources Committee. My name is Cody VanderBusch. I am the Reclamation Supervisor for the Oil and Gas Division of DMR. I am here to testify in support of Senate Bill 2059.

DMR has requested to amend the cap in Subdivision b of subsection 1 of section 57-51-15 of the NDCC be increased from 50 million to 100 million dollars.

The reason for this request is that with Federal Infrastructure and Investment dollars (IIJA) funds that will be coming along with donations into the fund and reimbursement of orphan well plugging and reclaim funds.

- Currently the fund has 20 million dollars.
- Estimated IIJA grant funds – 105 million dollars from four grants.

Thank you for your time.

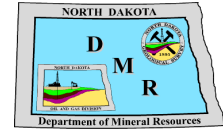
Sincerely,

Cody VanderBusch  
Reclamation Supervisor  
Oil and Gas Division

Bruce E. Hicks  
ASSISTANT DIRECTOR  
OIL AND GAS DIVISION

Lynn D. Helms  
DIRECTOR  
DEPT. OF MINERAL RESOURCES

Edward C. Murphy  
STATE GEOLOGIST  
GEOLOGICAL SURVEY



Bill #: SB 2059

Date of Testimony: March 2, 2023

Good morning, Chairman Porter and members of the House Energy and Natural Resources Committee. My name is Cody VanderBusch. I am the Reclamation Supervisor for the Oil and Gas Division of DMR. I am here to testify in support of Senate Bill 2059.

DMR has requested to amend the cap in Subdivision b of subsection 1 of section 57-51-15 of the NDCC to be increased from 50 million to 100 million dollars.

The reason for this request is that with Federal Infrastructure and Investment dollars (IIJA) funds that will be coming, along with donations into the fund, and reimbursement of orphan well plugging and reclaim funds.

- Currently the fund has 20 million dollars.
- Estimated IIJA grant funds – 105 million dollars from four grants.

This concludes my testimony, and I am open to any questions.

Thank you for your time.

Sincerely,

*Cody VanderBusch*

Cody VanderBusch  
Reclamation Supervisor  
DMR Oil and Gas Division

Bruce E. Hicks  
ASSISTANT DIRECTOR  
OIL AND GAS DIVISION

Lynn D. Helms  
DIRECTOR  
DEPT. OF MINERAL RESOURCES

Edward C. Murphy  
STATE GEOLOGIST  
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