

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2065

Page 1, line 1, remove "section 15-05-09.1 and"

Page 1, line 2, remove "the authority of the board of university and school lands to lease lands"

Page 1, line 3, remove "under its control for the underground storage of oil or gas and"

Page 1, line 5, after "gas" insert "; and to amend and reenact sections 15-05-09 and 15-05-10 of the North Dakota Century Code, relating to oil and gas leases and royalties from oil leases"

Page 1, replace lines 7 through 13 with:

"SECTION 1. AMENDMENT. Section 15-05-09 of the North Dakota Century Code is amended and reenacted as follows:

15-05-09. Leases for oil, gas, and other products.

The board of university and school lands may lease any lands under its control believed to contain oil, gas, coal, cement materials, sodium sulfate, sand and gravel, road material, building stone, chemical substances, metallic ores, ~~or colloidal or other clays,~~ or other naturally occurring elements and their compounds, and may make and establish rules and regulations for development and drilling operations.

SECTION 2. AMENDMENT. Section 15-05-10 of the North Dakota Century Code is amended and reenacted as follows:

15-05-10. Royalties from oil and gas leases - Rents from other leases - Rules.

Oil and gas leases must be made by the board of university and school lands at such annual minimum payments as are determined by the board, but the royalty shall be not less than twelve and one-half percent of the gross output of oil from the lands leased. Oil and gas leases made by the board may authorize a royalty of less than twelve and one-half percent for production from stripper well properties or individual stripper wells and qualifying secondary recovery and qualifying tertiary recovery projects as defined in section 57-51.1-01. ~~Leases for gas, coal, cement materials, sodium sulfate, sand and gravel, road material, building stone, chemical substances, metallic ores, or colloidal or other clays issued by the board under section 15-05-09 for products other than oil and gas must be made by the board in such annual payments provide for adequate rental payments and other provisions as are determined by the board. The board may adopt rules regarding annual rental payments and royalties under this section."~~

Page 4, line 19, after "space" insert "unless the percentage required to unitize the oil and gas unit is otherwise provided for by order of the commission before August 1, 2021, if so the percentage in the order prevails"

Page 4, line 21, after "leases" insert "unless the percentage required to unitize the oil and gas unit is otherwise provided for by order of the commission before August 1, 2021, if so then the percentage in the order prevails"

Page 5, line 25, replace "fifty-five" with "sixty"

Page 6, line 27, replace "fifty-five" with "sixty"

Page 6, line 29, replace "fifty-five" with "sixty"

Renumber accordingly