

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

400J0305

HOUSE BILL NO. 1014

Introduced by: The Committee on Agriculture and Natural Resources at the request of the
Department of Environment and Natural Resources

1 FOR AN ACT ENTITLED, An Act to reduce the percentage of owners required to ratify an oil
2 and gas unit.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 45-9-40 be amended to read as follows:

5 45-9-40. No order of the Board of Minerals and Environment providing for unit operations
6 ~~shall become~~ becomes effective unless and until the plan for unit operations prescribed by the
7 board has been approved in writing by those persons who, under the board's order, ~~will~~ shall be
8 required to pay at least ~~seventy-five~~ sixty percent of the cost of the unit operation, and also by
9 the owners of at least ~~seventy-five~~ sixty percent of the production or proceeds thereof that will
10 be credited to interests which are free of cost, such as royalties, and production payments, and
11 the board has made a finding, either in the order providing for unit operations or in a
12 supplemental order, that the plan for unit operation has been so approved.

