

AN ACT

ENTITLED, An Act to require public hearings for applications for oil and gas orders only if contested and to reduce the number of hearing notice publications required for oil and gas cases.

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

Section 1. That § 45-9-31 be amended to read as follows:

45-9-31. In the absence of voluntary pooling, the Board of Minerals and Environment or the secretary, as applicable, upon the application of any interested person, shall enter an order pooling all interests in the spacing unit for the development and operation of the spacing unit, and for the sharing of production from the spacing unit. Each such pooling order shall be made after notice and opportunity for hearing, and shall be upon terms and conditions that are just and reasonable, and that afford to the owner of each tract or interest in the spacing unit the opportunity to recover or receive without unnecessary expense, his or her just and equitable share.

Section 2. That § 45-9-37 be amended to read as follows:

45-9-37. The Board of Minerals and Environment upon its own motion or upon the application of any interested person shall provide an opportunity for a hearing to consider the need for the operation as a unit of one or more pools or parts thereof in a field.

Section 3. That § 45-9-41 be amended to read as follows:

45-9-41. If the plan for unit operations has not been approved as required by § 45-9-40 at the time the order providing for unit operations is made, the Board of Minerals and Environment shall upon application and notice provide opportunity for supplemental hearings to determine if and when the plan for unit operations has been approved.

Section 4. That § 45-9-57 be repealed.

Section 5. That § 45-9-58 be amended to read as follows:

45-9-58. The notice of a hearing on any application made pursuant to this chapter shall be served

either by certified mail or by publication in a newspaper of general circulation in the county where the affected land, or some part thereof, is situated. The applicant shall give notice of any hearing that may affect property interests by mailing the notice by certified mail, return receipt requested, to any person whose property may be affected by the hearing. As proof of service, the applicant shall file with the board an affidavit declaring that the notice was mailed and the certified mail return receipt. Any person who cannot be served notice by certified mail may be served notice of the hearing by publication.

Section 6. That § 45-9-63 be repealed.

Section 7. That chapter 45-9 be amended by adding thereto a NEW SECTION to read as follows:

The Board of Minerals and Environment shall provide an opportunity for public hearing, through public notice, on any application made for an order under this chapter. The notice shall comply with the provisions of chapter 1-26 and indicate, unless a person files a petition requesting a hearing by the deadline established in the notice, no hearing need be held. If held, the hearing shall be conducted in accordance with chapter 1-26. Any person who files a petition requesting a contested case hearing by the deadline established by the board shall be entitled to be heard during the hearing. The board shall enter its order within thirty days after the hearing. If no hearing is held, the applicant shall submit a proposed order to the secretary for review and approval.

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I certify that the attached Act
originated in the

HOUSE as Bill No. 1012

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1012

File No. _____

Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____, 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State