

SENATE FILE NO. SF0083

Oil and gas operations-bonding requirement.

Sponsored by: Senator(s) Anderson, J.D. (SD02), Burns,
Hines and Schiffer and Representative(s)
Barlow, Berger and Madden

A BILL

for

1 AN ACT relating to oil and gas; increasing minimum surety
2 bond or other guaranty required for entry upon land for oil
3 and gas operations; setting a minimum blanket bond amount
4 for entry upon land for oil and gas operations; specifying
5 applicability; and providing for an effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** W.S. 30-5-404(b) is amended to read:

10

11 **30-5-404. Surety bond or guaranty; approval;**
12 **objections; release of surety bond or guaranty.**

13

14 (b) The surety bond or other guaranty shall be in an
15 amount of not less than ~~two thousand dollars (\$2,000.00)~~
16 ten thousand dollars (\$10,000.00) per well site on the land

1 unless the operations involve seismic activities. If the
2 operations involve seismic activities, the surety bond
3 shall be as provided in W.S. 30-5-104(d)(v)(A). As used in
4 this subsection, seismic activities do not include waves or
5 vibrations originating outside the property in question. At
6 the request of the oil and gas operator, after attempted
7 consultation with the surface owner the commission may
8 establish a blanket bond or other guaranty in an amount
9 covering oil and gas operations on the surface owner's land
10 as identified by an oil and gas operator in the written
11 notice required under W.S. 30-5-402(e), provided the
12 blanket bond shall be in an amount not less than ten
13 thousand dollars (\$10,000.00) per well site on the surface
14 owner's land. Neither the minimum amount of the bond or
15 other guaranty specified or referenced in this subsection
16 nor a blanket bond or other guaranty established by the
17 commission is intended to establish any amount for
18 reasonable and foreseeable damages. A permit to conduct
19 geophysical/seismic operations issued under the authority
20 of W.S. 30-5-104 shall include a statement that it shall
21 not constitute authorization or permission to trespass on
22 the surface estate. The commission shall not accept a
23 surety bond for seismic activities for land which the oil
24 and gas operator or seismic activity operator has no right

1 to enter. The operator shall provide evidence of the right
2 to enter derived from one (1) or more mineral interest
3 owners.

4

5 **Section 2.** This act shall not be applied to increase
6 the minimum surety bond, blanket bond or other guaranty
7 under W.S. 30-5-404(b) existing prior to this act, if the
8 requirements for entry upon the land under W.S. 30-5-402(c)
9 were met before the effective date of this act.

10

11 **Section 3.** This act is effective immediately upon
12 completion of all acts necessary for a bill to become law
13 as provided by Article 4, Section 8 of the Wyoming
14 Constitution.

15

16

(END)