

HB 246 INTRODUCED BY COBB
REQUIRING WELL-SPACING UNIT; POOLING APPLICANTS TO
GIVE ACTUAL NOTICE

1/16 INTRODUCED
1/16 REFERRED TO NATURAL RESOURCES
1/23 HEARING
2/16 COMMITTEE REPORT--BILL PASSED AS AMENDED
2/18 2ND READING PASSED 95 0
2/19 3RD READING PASSED 91 1

TRANSMITTED TO SENATE
2/21 REFERRED TO NATURAL RESOURCES
3/11 HEARING
3/12 COMMITTEE REPORT--BILL CONCURRED
3/17 2ND READING CONCURRED 50 0
3/19 3RD READING CONCURRED 49 0

RETURNED TO HOUSE
3/23 SIGNED BY SPEAKER
3/23 SIGNED BY PRESIDENT

3/24 TRANSMITTED TO GOVERNOR
3/27 SIGNED BY GOVERNOR
CHAPTER NUMBER 238 EFFECTIVE DATE: 10/01/87

1 House BILL NO. 246
2 INTRODUCED BY Cobb

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE APPLICANTS
5 FOR THE ESTABLISHMENT OF A WELL SPACING UNIT FOR AN OIL OR
6 GAS WELL OR FOR THE POOLING OF INTERESTS IN A WELL SPACING
7 UNIT TO GIVE ACTUAL NOTICE TO INFORM PARTIES AFFECTED BY THE
8 APPLICATION; AND AMENDING SECTION 82-11-141, MCA."

9
10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 82-11-141, MCA, is amended to read:
12 "82-11-141. Administrative procedure. (1) Unless
13 otherwise provided, the Montana Administrative Procedure Act
14 applies to this chapter.

15 (2) An order or amendment thereof, except in an
16 emergency, may not be made by the board without a public
17 hearing upon at least 10 days' notice. The public hearing
18 shall be held at such time and place as may be prescribed by
19 the board, and any interested person is entitled to be
20 heard.

21 (3) When an emergency requiring immediate action is
22 found to exist, the board may issue an emergency order
23 without advance notice or hearing which shall be effective
24 upon promulgation. An emergency order may not remain in
25 effect more than 15 days.

1 (4) If notice is required by the chapter and the
2 Montana Administrative Procedure Act does not apply, the
3 notice shall be made by publication in one or more issues of
4 a newspaper in general circulation in Helena and a newspaper
5 of general circulation in the county where the land or some
6 part thereon is situated, and the board may also cause
7 publication to be made in a trade journal or bulletin of
8 general circulation in the oil and gas industry in the
9 state. A person who applies to establish a well spacing
10 unit under 82-11-201 or who applies to pool all interests in
11 a well spacing unit pursuant to 82-11-202 is required to
12 give actual notice by means reasonably calculated to inform
13 all parties who may be affected by the application.

14 (5) Proof If actual notice is not possible, proof
15 of service by publication under subsection (4) shall be made by
16 the affidavit of the printer or publisher of the newspaper,
17 trade journal, or bulletin in which the notice is published
18 or by a foreman or principal clerk of the newspaper,
19 bulletin, or trade journal.

20 (6) Except as provided otherwise in this chapter, the
21 board may act upon its own motion or upon the petition of an
22 interested person. On the filing of a petition concerning a
23 matter within the jurisdiction of the board, the board shall
24 promptly fix a date for a hearing thereon and shall cause
25 notice of the hearing to be given. The hearing shall be held

LC 1265/01

1 without undue delay after the filing of the petition. The
2 board shall enter its order within 30 days after the
3 hearing."

-End-

APPROVED BY COMM. ON
NATURAL RESOURCES

1 HOUSE BILL NO. 246
 2 INTRODUCED BY COBB
 3
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE APPLICANTS
 5 FOR THE ESTABLISHMENT OF A WELL SPACING UNIT FOR AN OIL OR
 6 GAS WELL OR FOR THE POOLING OF INTERESTS IN A WELL SPACING
 7 UNIT TO GIVE ACTUAL WRITTEN NOTICE TO INFORM PARTIES
 8 AFFECTED BY THE APPLICATION; AND AMENDING SECTION 82-11-141,
 9 MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 82-11-141, MCA, is amended to read:
13 "82-11-141. Administrative procedure. (1) Unless
14 otherwise provided, the Montana Administrative Procedure Act
15 applies to this chapter.

16 (2) An order or amendment thereof, except in an
17 emergency, may not be made by the board without a public
18 hearing upon at least 10 days' notice. The public hearing
19 shall be held at such time and place as may be prescribed by
20 the board, and any interested person is entitled to be
21 heard.

22 (3) When an emergency requiring immediate action is
23 found to exist, the board may issue an emergency order
24 without advance notice or hearing which shall be effective
25 upon promulgation. An emergency order may not remain in

1 effect more than 15 days.

2 (4) If notice is required by the chapter and the
 3 Montana Administrative Procedure Act does not apply, the
 4 notice shall be made by publication in one or more issues of
 5 a newspaper in general circulation in Helena and a newspaper
 6 of general circulation in the county where the land or some
 7 part thereon is situated, and the board may also cause
 8 publication to be made in a trade journal or bulletin of
 9 general circulation in the oil and gas industry in the
 10 state. A AT LEAST 20 DAYS PRIOR TO THE PUBLIC HEARING, A
 11 person who applies to establish a well spacing unit under
 12 82-11-201 or who applies to pool all interests in a well
 13 spacing unit pursuant to 82-11-202 is--required--to--give
 14 actual--notice--by--means--reasonably--calculated--to--inform--all
 15 parties--who--may--be--affected--by--the--application; SHALL CAUSE
 16 WRITTEN NOTICE OF ANY HEARING THEREON TO BE SERVED UPON THE
 17 RECORD OWNERS OF THE OIL AND GAS AND LEASEHOLD INTERESTS
 18 SOUGHT TO BE SPACED OR POOLED. NOTICE MUST BE GIVEN BY
 19 MAILING THE WRITTEN NOTICE, POSTAGE PREPAID, TO THEIR
 20 ADDRESSES AS SHOWN BY THE RECORD OF THE COUNTY CLERK AND
 21 RECORDER AT THE TIME THE NOTICE IS GIVEN.

22 (5) Proof IF actual WRITTEN notice is not possible,
23 proof of service by publication under subsection (4) shall
24 be made by the affidavit of the printer or publisher of the
25 newspaper, trade journal, or bulletin in which the notice is



1 published or by a foreman or principal clerk of the
2 newspaper, bulletin, or trade journal.

3 (6) Except as provided otherwise in this chapter, the
4 board may act upon its own motion or upon the petition of an
5 interested person. On the filing of a petition concerning a
6 matter within the jurisdiction of the board, the board shall
7 promptly fix a date for a hearing thereon and shall cause
8 notice of the hearing to be given. The hearing shall be held
9 without undue delay after the filing of the petition. The
10 board shall enter its order within 30 days after the
11 hearing."

12 NEW SECTION. SECTION 2. EXTENSION OF AUTHORITY. ANY
13 EXISTING AUTHORITY OF THE BOARD OF OIL AND GAS CONSERVATION
14 TO MAKE RULES ON THE SUBJECT OF THE PROVISIONS OF THIS ACT
15 IS EXTENDED TO THE PROVISIONS OF THIS ACT.

-End-

1 HOUSE BILL NO. 246

2 INTRODUCED BY COBB

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE APPLICANTS
5 FOR THE ESTABLISHMENT OF A WELL SPACING UNIT FOR AN OIL OR
6 GAS WELL OR FOR THE POOLING OF INTERESTS IN A WELL SPACING
7 UNIT TO GIVE ACTUAL WRITTEN NOTICE TO INFORM PARTIES
8 AFFECTED BY THE APPLICATION; AND AMENDING SECTION 82-11-141,
9 MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 82-11-141, MCA, is amended to read:
13 "82-11-141. Administrative procedure. (1) Unless
14 otherwise provided, the Montana Administrative Procedure Act
15 applies to this chapter.

16 (2) An order or amendment thereof, except in an
17 emergency, may not be made by the board without a public
18 hearing upon at least 10 days' notice. The public hearing
19 shall be held at such time and place as may be prescribed by
20 the board, and any interested person is entitled to be
21 heard.

22 (3) When an emergency requiring immediate action is
23 found to exist, the board may issue an emergency order
24 without advance notice or hearing which shall be effective
25 upon promulgation. An emergency order may not remain in

1 effect more than 15 days.

2 (4) If notice is required by the chapter and the
3 Montana Administrative Procedure Act does not apply, the
4 notice shall be made by publication in one or more issues of
5 a newspaper in general circulation in Helena and a newspaper
6 of general circulation in the county where the land or some
7 part thereon is situated, and the board may also cause
8 publication to be made in a trade journal or bulletin of
9 general circulation in the oil and gas industry in the
10 state. A AT LEAST 20 DAYS PRIOR TO THE PUBLIC HEARING, A
11 person who applies to establish a well spacing unit under
12 82-11-201 or who applies to pool all interests in a well
13 spacing unit pursuant to 82-11-202 is--required--to--give
14 actual--notice--by--means--reasonably--calculated--to--inform--all
15 parties--who--may--be--affected--by--the--application; SHALL CAUSE
16 WRITTEN NOTICE OF ANY HEARING THEREON TO BE SERVED UPON THE
17 RECORD OWNERS OF THE OIL AND GAS AND LEASEHOLD INTERESTS
18 SOUGHT TO BE SPACED OR POOLED. NOTICE MUST BE GIVEN BY
19 MAILING THE WRITTEN NOTICE, POSTAGE PREPAID, TO THEIR
20 ADDRESSES AS SHOWN BY THE RECORD OF THE COUNTY CLERK AND
21 RECORDER AT THE TIME THE NOTICE IS GIVEN.

22 (5) Proof If actual WRITTEN notice is not possible,
23 proof of service by publication under subsection (4) shall
24 be made by the affidavit of the printer or publisher of the
25 newspaper, trade journal, or bulletin in which the notice is

1 published or by a foreman or principal clerk of the
2 newspaper, bulletin, or trade journal.

3 (6) Except as provided otherwise in this chapter, the
4 board may act upon its own motion or upon the petition of an
5 interested person. On the filing of a petition concerning a
6 matter within the jurisdiction of the board, the board shall
7 promptly fix a date for a hearing thereon and shall cause
8 notice of the hearing to be given. The hearing shall be held
9 without undue delay after the filing of the petition. The
10 board shall enter its order within 30 days after the
11 hearing."

12 NEW SECTION. SECTION 2. EXTENSION OF AUTHORITY. ANY
13 EXISTING AUTHORITY OF THE BOARD OF OIL AND GAS CONSERVATION
14 TO MAKE RULES ON THE SUBJECT OF THE PROVISIONS OF THIS ACT
15 IS EXTENDED TO THE PROVISIONS OF THIS ACT.

-End-

1 HOUSE BILL NO. 246

2 INTRODUCED BY COBB

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO REQUIRE APPLICANTS
5 FOR THE ESTABLISHMENT OF A WELL SPACING UNIT FOR AN OIL OR
6 GAS WELL OR FOR THE POOLING OF INTERESTS IN A WELL SPACING
7 UNIT TO GIVE ACTUAL WRITTEN NOTICE TO INFORM PARTIES
8 AFFECTED BY THE APPLICATION; AND AMENDING SECTION 82-11-141,
9 MCA."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Section 82-11-141, MCA, is amended to read:

13 "82-11-141. Administrative procedure. (1) Unless
14 otherwise provided, the Montana Administrative Procedure Act
15 applies to this chapter.16 (2) An order or amendment thereof, except in an
17 emergency, may not be made by the board without a public
18 hearing upon at least 10 days' notice. The public hearing
19 shall be held at such time and place as may be prescribed by
20 the board, and any interested person is entitled to be
21 heard.22 (3) When an emergency requiring immediate action is
23 found to exist, the board may issue an emergency order
24 without advance notice or hearing which shall be effective
25 upon promulgation. An emergency order may not remain in

1 effect more than 15 days.

2 (4) If notice is required by the chapter and the
3 Montana Administrative Procedure Act does not apply, the
4 notice shall be made by publication in one or more issues of
5 a newspaper in general circulation in Helena and a newspaper
6 of general circulation in the county where the land or some
7 part thereon is situated, and the board may also cause
8 publication to be made in a trade journal or bulletin of
9 general circulation in the oil and gas industry in the
10 state. A AT LEAST 20 DAYS PRIOR TO THE PUBLIC HEARING, A
11 person who applies to establish a well spacing unit under
12 82-11-201 or who applies to pool all interests in a well
13 spacing unit pursuant to 82-11-202 is--required--to--give
14 actual--notice--by--means--reasonably--calculated--to--inform--all
15 parties--who--may--be--affected--by--the--application; SHALL CAUSE
16 WRITTEN NOTICE OF ANY HEARING THEREON TO BE SERVED UPON THE
17 RECORD OWNERS OF THE OIL AND GAS AND LEASEHOLD INTERESTS
18 SOUGHT TO BE SPACED OR POOLED. NOTICE MUST BE GIVEN BY
19 MAILING THE WRITTEN NOTICE, POSTAGE PREPAID, TO THEIR
20 ADDRESSES AS SHOWN BY THE RECORD OF THE COUNTY CLERK AND
21 RECORDER AT THE TIME THE NOTICE IS GIVEN.

22 (5) Proof If actual WRITTEN notice is not possible,
23 proof of service by publication under subsection (4) shall
24 be made by the affidavit of the printer or publisher of the
25 newspaper, trade journal, or bulletin in which the notice is

1 published or by a foreman or principal clerk of the
2 newspaper, bulletin, or trade journal.

3 (6) Except as provided otherwise in this chapter, the
4 board may act upon its own motion or upon the petition of an
5 interested person. On the filing of a petition concerning a
6 matter within the jurisdiction of the board, the board shall
7 promptly fix a date for a hearing thereon and shall cause
8 notice of the hearing to be given. The hearing shall be held
9 without undue delay after the filing of the petition. The
10 board shall enter its order within 30 days after the
11 hearing."

12 NEW SECTION. SECTION 2. EXTENSION OF AUTHORITY. ANY
13 EXISTING AUTHORITY OF THE BOARD OF OIL AND GAS CONSERVATION
14 TO MAKE RULES ON THE SUBJECT OF THE PROVISIONS OF THIS ACT
15 IS EXTENDED TO THE PROVISIONS OF THIS ACT.

-End-