



2020 South Dakota Legislature  
**House Bill 1025**  
**ENROLLED**

AN ACT

**ENTITLED An Act to revise certain provisions regarding plugging and performance bonds for oil and gas wells.**

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

**Section 1.** That § 45-9-15 be AMENDED:

**45-9-15. Plugging and performance bond for wells--Amount--Conditions.**

Without limiting its general authority, the board may require, or may delegate to the secretary of environment and natural resources specific authority to require, the furnishing of a plugging and performance bond in the amount of fifty thousand dollars or an amount sufficient to guarantee the costs of well site reclamation, or one hundred thousand dollars blanket, with good and sufficient surety, conditioned for the performance of the duty to plug each dry or abandoned well, to restore the premises, insofar as possible, to the condition that existed before the filing of the application to drill; and conditioned on the proper performance of all of the requirements of §§ 45-9-5 to 45-9-18, inclusive. The condition of the bond relating to restoration of the surface is met if the landowner or lessee and the producer or driller adopt a different plan approved by the board. The board may require additional bond if the circumstances require.

**Section 2.** That a NEW SECTION be added:

**45-9-15.3. Supplemental plugging and performance bond--Idle wells--Amount.**

Without limiting its general authority, the board may require, or may delegate to the secretary of environment and natural resources specific authority to require, the furnishing of a supplemental plugging and performance bond in the amount of twenty thousand dollars or an amount sufficient to guarantee the costs of well site reclamation for any oil and gas well that does not produce or otherwise remains unused for more than six months.

An Act to revise certain provisions regarding plugging and performance bonds for oil and gas wells.

I certify that the attached Act originated in the:  
House as Bill No. 1025

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
Speaker of the House

Attest:

\_\_\_\_\_  
Chief Clerk

\_\_\_\_\_  
President of the Senate

Attest:

\_\_\_\_\_  
Secretary of the Senate

House Bill No. 1025  
File No. \_\_\_\_\_  
Chapter No. \_\_\_\_\_

Received at this Executive Office  
this \_\_\_\_ day of \_\_\_\_\_,  
2020 at \_\_\_\_\_ M.

By \_\_\_\_\_  
for the Governor

The attached Act is hereby  
approved this \_\_\_\_\_ day of  
\_\_\_\_\_, A.D., 2020

\_\_\_\_\_  
Governor

**STATE OF SOUTH DAKOTA,**  
ss.  
Office of the Secretary of State

Filed \_\_\_\_\_, 2020  
at \_\_\_\_\_ o'clock \_\_ M.

\_\_\_\_\_  
Secretary of State

By \_\_\_\_\_  
Asst. Secretary of State