

1 State of Arkansas
2 79th General Assembly
3 Regular Session, 1993

A Bill

ACT 342 OF 1993
HOUSE BILL 1234

4 By: Representatives George and Newman
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For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 15-71-114(a)(3) TO PROVIDE
9 FOR THE FILING BY A SURFACE OWNER OF A CLAIM FOR DAMAGE
10 RESULTING FROM THE PERFORMANCE OF FIELD SEISMIC
11 OPERATIONS; AND FOR OTHER PURPOSES."

Subtitle

13 "CLAIMS OF SURFACE OWNER FOR DAMAGE RESULTING
14 FROM FIELD SEISMIC OPERATIONS."
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17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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19 SECTION 1. Arkansas Code 15-71-114(a)(3) is amended to read as follows:

20 "(3)(A) The application shall be accompanied by a bond in the amount of fifty thousand
21 dollars (\$50,000) or such larger amount as may be prescribed by the commission not to
22 exceed two hundred fifty thousand dollars (\$250,000).

23 (B) The bond shall be executed by the applicant, as principal, and a corporate surety
24 approved by the commission, and shall be conditioned that the permittee shall pay all damages
25 resulting from such seismic operations.

26 (C) The bond shall be maintained at an amount not less than fifty thousand dollars
27 (\$50,000) nor more than two hundred fifty thousand dollars (\$250,000) as may be set by
28 the commission, so long as the permittee is conducting field seismic operations in the state and
29 until released by the commission.

30 (D) Any surface owner seeking to recover under such bond for damages caused by the
31 performance of such field seismic operations must file written notice of claim therefor with the
32 Arkansas Oil and Gas Commission within one (1) year of the date of *expiration* of the permit
33 for conducting such operations; provided, however, that such claim shall be subordinate to the
34 rights of the Arkansas Oil and Gas Commission under said bond to secure compliance by said
35 permittee with the provisions of said act, as hereby amended, and the rules and regulations of
36 the Commission promulgated thereunder."

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SECTION 2. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

SECTION 5. EMERGENCY. It is hereby found and determined by the General Assembly that the law relating to the procedure whereby a surface owner files a claim for damage resulting from the performance of seismic operations is in need of immediate clarification; that this act is designed to accomplish this purpose and should be given effect immediately. Therefore, an emergency is hereby declared to exist and this act being necessary for the preservation of the public peace, health and safety shall be in full force and effect from and after its passage and approval.

/s/Lloyd George, et al

APPROVED: 03/03/93