

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 507 of the Regular Session

As Engrossed: S2/12/07 S3/5/07 H3/14/07

1 State of Arkansas  
2 86th General Assembly  
3 Regular Session, 2007

A Bill

SENATE BILL 206

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5 By: Senator G. Jeffress  
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8 **For An Act To Be Entitled**

9 *AN ACT TO REGULATE OIL AND GAS PRODUCTION; TO*  
10 *LIMIT COMPENSATION FOR SPILL DAMAGES TO THE*  
11 *SURFACE ESTATE; AND FOR OTHER PURPOSES.*

12  
13 **Subtitle**

14 *TO REGULATE OIL AND GAS PRODUCTION AND*  
15 *TO LIMIT COMPENSATION FOR SPILL DAMAGES*  
16 *TO THE SURFACE ESTATE.*

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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

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23 *SECTION 1. Arkansas Code Title 15, Chapter 72, Subchapter 2 is amended*  
24 *to add an additional section to read as follows:*

25 *15-72-219. Compensation of surface owners and surface tenants for*  
26 *damages – Restoration of land.*

27 *(a) A surface owner or surface tenant is entitled to reasonable*  
28 *compensation where a spill of crude oil or produced water has occurred and*  
29 *has caused damages to real property, growing crops, trees, shrubs, fences,*  
30 *roads, structures, improvements, livestock, personal property or measurable*  
31 *damage to the productive capacity of the soil.*

32 *(b) In addition to any compensation or damages paid by the operator*  
33 *under subsection (a) of this section, the operator shall restore the damaged*  
34 *land in accordance with all applicable rules and regulations of the:*

35 *(1) Arkansas Department of Environmental Quality; or*



1           (2) Oil and Gas Commission.

2           (c) Any rules or regulations adopted by the Arkansas Department of  
3 Environmental Quality or the Oil and Gas Commission pertaining to spills of  
4 crude oil or produced water shall:

5           (1) Provide, as nearly as practicable, for remediation of any  
6 spill of crude oil or produced water to the condition of the real property  
7 before the spill; and

8           (2) Specify a reasonable time frame for commencing and  
9 completing remediation of any spill of crude oil or produced water to the  
10 condition of the real property before the spill.

11          (d) If the party responsible for damage to real property caused by a  
12 spill of crude oil or produced water fails to restore the real property in  
13 accordance with applicable rules and regulations, then the surface owner or  
14 surface tenant may bring an action for restoration or remediation:

15          (1) In that action, if the surface owner or surface tenant  
16 proves by a preponderance of the evidence that the party responsible for the  
17 damage has failed to restore and remediate the real property, then the  
18 surface owner or surface tenant is entitled to an order requiring restoration  
19 or remediation to appropriate standards of the applicable agency; and

20          (2) In addition to the relief provided in subdivision (d)(1) of  
21 this section, the surface owner or surface tenant may be allowed a reasonable  
22 attorney's fee together with costs associated with maintaining an action for  
23 restoration or remediation.

24          (e) The provisions of this act shall only take effect upon the final  
25 adoption of rules and regulations governing the remediation of spills of  
26 crude oil or produced water and are applicable to spills of crude oil and  
27 produced water that occur after the effective date thereof.

28          (f) Nothing contained herein is intended to limit or restrict the  
29 rights of any surface owner or surface tenant to maintain a cause of action  
30 for any damage to real property that is not addressed by the rules and  
31 regulations adopted by the Arkansas Department of Environmental Quality or  
32 the Oil and Gas Commission pertaining to spills of crude oil or produced  
33 water.

34          (g) Nothing contained herein shall alter, affect or modify the terms  
35 of any oil or gas lease pertaining to restoration or remediation of damaged  
36 real property that are more stringent than the provisions of this section.

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(h) The provisions of this act are remedial in nature.

/s/ G. Jeffress

APPROVED: 3/27/2007