

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Representative Newman**

A Bill

HOUSE BILL

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 15-72-204 TO PROVIDE THAT
9 PERSONS ASSUMING OPERATIONS SHALL BE REQUIRED TO FURNISH
10 PROOF OF FINANCIAL RESPONSIBILITY PRIOR TO THE ISSUANCE OF
11 A PRODUCERS CERTIFICATE OF COMPLIANCE AND AUTHORIZATION TO
12 TRANSPORT OIL OR GAS FROM LEASE TO INDEMNITY PAYMENT OF
13 DAMAGES RESULTING THEREFROM; AND FOR OTHER PURPOSES."

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

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17 SECTION 1. Arkansas Code 15-72-204 is hereby amended to read as
18 follows:

19 "15-72-204. Prerequisite for drilling permit - Operator's proof of
20 financial responsibility.

21 Every operator as defined by this act, doing business in this state,
22 shall file proof of financial responsibility with the Oil and Gas Commission
23 before a permit to drill is issued by the Oil and Gas Commission for any
24 drilling operation to be undertaken by the operator.

25 Any person who acquires the right of operator of any existing well or
26 wells shall likewise be required to file proof of financial responsibility
27 with the Oil and Gas Commission before a Producers Certificate of Compliance
28 and Authorization to Transport Oil or Gas therefrom is issued."

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

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

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7 SECTION 4. All laws and parts of laws in conflict with this Act are
8 hereby repealed.

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10 SECTION 5. EMERGENCY CLAUSE. It is hereby found and determined by the
11 General Assembly that the best interests of the State of Arkansas can be
12 served by the enactment of this legislation and that this Act should be given
13 immediate effect. Therefore, an emergency is hereby declared to exist and
14 this Act being immediately necessary for the preservation of the public peace,
15 health and safety shall be in full force and effect from and after its passage
16 and approval.

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