

Woodgerd: Amendment of 82-10-508

82-10-508. Rejection -- legal action. (1) If the person seeking compensation receives a written rejection, rejects the offer of the oil and gas developer or operator, or receives no reply, that person may require the oil and gas developer or operator to enter into a dispute resolution process. Within 180 days of written notice of this requirement being provided to the oil and gas developer or operator:

- (a) the parties shall reach an agreement on compensation; or
- (b) the parties shall agree on an extension of time for the dispute resolution process;
or
- (c) one or both of the parties shall conclude that the dispute resolution process will not produce a resolution.

(2) If there are costs associated with the dispute resolution process, the oil and gas operator shall pay 75 % of the cost and the person seeking damages shall pay 25% of the cost.

(3) If the dispute resolution process fails to produce an agreement on compensation, the person seeking damages may bring an action for compensation in the district court of the county in which the damage was sustained. The district court may award damages, including attorney fees, for failure to comply with the dispute resolution provisions of this section.