

**Supreme Court of
Oklahoma**
Administrative Office of the



Judiciary
Oklahoma City, Oklahoma 73105

Tom J. McDaniel

July 1, 1982

Room One State Capitol

Director

AC 405-521-2318

RE: Surface Damage Certificate.

Dear Court Clerk:

Due to the volume of questions that my office has received regarding the filing of a certificate of bond or letter of credit in the court clerk's office pursuant to House Bill No. 1460, I am providing you with this letter of instruction and the accompanying enclosures.

For you information, HB 1460 was passed by the Legislature and approved by the Governor as a measure to protect owners of surface property on which oil and/or gas drilling operations occur. The bill requires every oil and gas operator to file a \$25,000.00 bond or letter of credit with the Secretary of State. In turn, the bonding company or bank must file a certificate of bond or certificate of letter of credit with the court clerk's office in each county where the oil and gas operator is drilling. The certificate may reflect that the bond or letter of credit is in effect, has been canceled, or has had a claim made against it.

The instructions for filing a "Surface Damage Certificate" are as follows:

File stamp the certificate when you receive it.

Establish a file folder which will be maintained alphabetically in the name of the "operator" who may also be referred to as the "insured". See Attachment No. 1 for an example of a certificate of insurance.

Establish an alphabetical index which will be maintained in the same manner as the file folder discussed in the second instruction above. Do not use a standard bound docket book for indexing the certificate of bond or letter of credit. A lined journal ledger with alphabetical tabs should suffice. Attachment No. 2 provides an example of how you may elect to index the certificates filed in your office.

There is no statutory authority for collecting a fee for filing the certificate. Therefore, no filing fee should be charged.

Please note that the above instructions pertain only to the filing of a certificate of bond or letter of credit. HB 1460 additionally provides for a detailed procedure by which appraisers can be appointed, exceptions to the appraisers' report filed and demands for jury trial made. Consequently, if a party petitions your district court for appointment of appraisers, consider it a new civil action to which you will assign a civil case number and collect the civil filing fee.

Enclosed herewith you will find a "Notice Regarding Appraisers Report in Surface Damage Proceeding" which HB 1460 directs me to prepare and supply to you. (See Attachment No. 3). Said notice results from the filing of the action for appointment of appraisers and must be attached to the appraiser's report and forwarded to each attorney of record, each party, and interested party of record. The notice merely states the time limits for filing challenges to the appraisers' report.

If you have any questions or comments, please feel free to contact me.

Very truly yours,

Tom J. McDaniel

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Attachments