§ 23-1301. Procedure for obtaining underground storage permit.

1. No underground reservoir shall be devoted to the storage of gas, or liquefied petroleum gas unless the prospective operator of such storage reservoir shall have received from the department, after approval in writing of the state geologist, an underground storage permit which shall be in full force. The application for said permit shall include the following:

a. A map showing the location and boundaries of the proposed underground storage reservoir.

b. A report containing sufficient data to show that the reservoir is adaptable for storage purposes.

c. An affidavit signed by the prospective operator to the effect that he has acquired by grant, lease or other agreement at least seventy-five percent of the storage rights in said reservoir and in the buffer zone established to protect the reservoir as approved by the department, calculated on the basis of surface acreage; and such affidavit shall also set forth that the applicant will agree as a condition to the issuance of such permit that it will thereafter within a reasonable time either acquire by negotiation, or file and proceed with condemnation proceedings to acquire, any outstanding storage rights in the remaining reservoir and buffer zone acreage.

d. Such other information as the department may require.

2. The permit shall be granted within ninety days of application unless the department finds that the application and the information submitted with it do not meet the requirements of this section. The department may revoke or suspend any underground storage permit in force hereunder for failure to comply with any of its provisions or for failure to comply with subdivision 4 of this section.

3. Subdivisions 1 and 2 of this section shall not apply to underground storage reservoirs or the storage of gas therein provided that such

reservoirs have been placed in operation prior to October 1, 1963 and so long as such operation is not abandoned.

4. Every operator shall file with the department on or before December 31 of each year, a report with respect to each underground storage reservoir operated by him showing any change in:

a. The estimated size in surface acreage or shape of the reservoir and the buffer zone if any;

b. His estimate of total capacity of the reservoir;

c. His estimate of working capacity of the reservoir; and

d. Any other engineering, geological or operational data that may be requested by the department.

5. The applicant for a permit for the following purposes shall submit with his application the following fees:

a. for a new underground storage reservoir, a fee of ten thousand dollars.

b. for a modification of the storage capacity of an existing underground storage reservoir, a fee of five thousand dollars.

6. No permit issued hereunder and no provision of this article shall be construed to diminish or impair the jurisdiction of the Public Service Commission with respect to regulation of the manufacture, transportation, distribution or sale of gas.