Plugging and Reclamation Bond Overview

Operators must register with the Montana Secretary of State and fill out an organization report (Form 1).

Producing and UIC Well Bond Requirements:

Single Well Bond (based on well depth):
- \( \leq 2,000 \text{ feet} \):
  - $1,500
- \( >2,000 \text{ feet and } < 3,501 \text{ feet} \):
  - $5,000
- \( \geq 3,501 \text{ feet} \):
  - $10,000

Multiple Well Bond for producing wells:
- $50,000

Allowable Bond Types:

1) **Surety bond** needs to be issued from a bonding company licensed to do business in the state of Montana.

   Required form: Form 3 Surety Bond

2) **Certificate of Deposit** needs to be issued by an FDIC insured, Montana commercial bank. This includes national banks with a physical branch location in Montana.

   Required forms: Form 14 Bond – Page 1 – CD or Letter of Credit
   Form 14 Page 2 A – Assignment for CD

3) **Letter of Credit** needs to be issued by an FDIC insured, Montana commercial bank. This includes national banks with a physical branch location in Montana.

   Required forms: Form 14 Bond – Page 1 – CD or Letter of Credit
   Form 14 Page 2 B – Letter of Credit

Domestic Gas Well Bond Requirements:

Bond amounts:
- Single well: $5,000
- Multiple well bond: $10,000

Please refer to § 82-11-163, MCA, for additional information regarding domestic well bonding.