

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Minnesota Statutes 1945, Section 169.75, Subdivision 1, as amended by Laws 1947, Chapter 428, Section 32, is amended to read as follows :

169.75. **Certain vehicles to have at least three lights. Subdivision 1. Lighting required between sunset and sunrise.** No person shall operate any passenger bus, motor truck or truck tractor upon a highway outside of a business or residence district at any time for half hour after sunset to a half hour before sunrise unless there shall be carried in such vehicle the following equipment except as otherwise provided in Subd. 2: At least three flares, three red electric lanterns, or three portable red reflector devices; each of which shall be capable of being seen and distinguished at a distance of 500 feet under normal atmospheric conditions at nighttime.

Approved April 25, 1949.

CHAPTER 657—H. F. No. 1446

[Coded as Sections 93.171 to 93.180]

An act relating to the exploratory drilling for crude petroleum and natural gas, and providing for regulation and taxation thereof.

Be it enacted by the Legislature of the State of Minnesota :

[93.251] Section 1. **Definitions.** Subdivision 1. For the purposes of this chapter, unless a different meaning is indicated by the context, the terms defined in this section shall have the meanings given them.

Subd. 2. "Field" means any underground, continuous pool or stream of crude petroleum with no wells closer than two miles.

Subd. 3. "Operator" means any person, firm, partnership or corporation.

Subd. 4. "Structure or well" means a hole drilled into the earth to bring crude petroleum to the surface.

[93.252] **Sec. 2. Permit to drill for crude petroleum; permit fee.** Subdivision 1. The commissioner of conservation is hereby authorized to issue permits to any individual, firm, partnership or corporation he deems competent to drill for crude petroleum in Minnesota. Such permit shall be similar to those issued to firms drilling for iron ore in this state.

Subd. 2. The fee for the issuance of a permit described in Subdivision 1 is \$5.00, which shall be paid by the applicant therefor.

[93.253] **Sec. 3. Bonus of ten cents per barrel.** Upon discovery of any crude petroleum in commercial volume in each field in this state by any operator there shall be paid by the commissioner of conservation to such operator from any funds in the state treasury allocated to the Minnesota Iron Range Resources and Rehabilitation Account, not otherwise encumbered, a bonus of ten cents per barrel for the first 250,000 barrels in each field, but no bonus shall be paid until the first carload or equivalent number of gallons of crude petroleum is marketed.

[93.254] **Sec. 4. Governed by mineral exploration laws.** Any individual, firm, partnership or corporation authorized to explore for crude petroleum, as provided by this act, shall be governed by the laws pertaining to mineral explorations with regular delivery of sample of core to the Mines Experiment Station of the University of Minnesota; and the findings of the Mines Experiment Station shall be the determining factor as to whether an oil structure of commercial value has been discovered.

[93.255] **Sec. 5. Subdivision 1. Taxation.** The first 250,000 barrels of crude petroleum obtained from each field, on which a bonus is paid as provided by Section 3 of this act, shall be tax free, but any and all subsequent crude petroleum shall be taxed five cents per barrel or such rate as the legislature may by proper legislation provide.

Subd. 2. **Sec. 6. Subdivision 1.** The commissioner of taxation shall administer and enforce the assessment and collection of the taxes imposed by this act. He may, from time to

time, make and publish any and all rules and regulations necessary to enforce the provisions of this act.

Subd. 3. Subd. 2. All taxes imposed and collected under the provisions of this act shall be paid into the state treasury and credited to the Minnesota Iron Range Resources and Rehabilitation Fund.

[93.256] Sec. 7. **Administration.** Subdivision 1. All expenses of the administration of this act shall be paid out of the receipts therefrom as other moneys of the state are expended by the departments incurring the same, and there is hereby appropriated out of such receipts so much thereof as may be necessary for the payment of such expenses.

Subd. 2. Sec. 8. The commissioner of conservation shall make all necessary rules and regulations for the proper administration of this act.

Subd. 3. Sec. 9. In the event natural gas is discovered in drilling for crude petroleum, separately or combined with crude petroleum, the commissioner of conservation is authorized to make all rules and regulations necessary to conserve the natural gas resources of the state.

[93.257] Sec. 10. **Securities, how issued.** All certificates of stocks, shares, or securities in connection with any petroleum or natural gas fields shall be issued and sold as provided by Minnesota Statutes, Sections 80.30 to 80.36 inclusive.

Approved April 25, 1949.

CHAPTER 658—H. F. No. 1520

An act relating to foods and frozen foods, amending Minnesota Statutes 1945, Section 31.01, Subdivision 7.

Be it enacted by the Legislature of the State of Minnesota :

Section 1. Minnesota Statutes 1945, Section 31.01, Subdivision 7, is amended to read :