

**15A NCAC 05H .1407 BOND FORFEITURE PROCEEDINGS**

- (a) If the Department determines there is a violation necessitating bond forfeiture or the revocation of a permit, it shall send the permittee and surety a written notice of violation. Upon receipt of the written notice of violation, the permittee shall have 60 calendar days to complete corrective action. If the permittee does not correct the violation within the 60 day period, the Department shall request the Attorney General to initiate forfeiture proceedings against the bond or other security filed by the permittee in accordance with Rule .0901 of this Subchapter.
- (b) Such proceedings shall be brought in the name of the State of North Carolina for the face amount of the bond or other security, less any amount already released by the Department, and these sums shall be subject to forfeiture.
- (c) If the amount of the bond or other security filed pursuant to this Section proves to be insufficient to complete the required final reclamation pursuant to the approved Reclamation Plan, the permittee shall be liable to the Department for any excess above the amount of the bond or other security that is required to defray the cost of completing the required final reclamation.
- (d) If a permit is revoked by the Department, the Department shall proceed with efforts to collect the bond(s) or other financial assurance that was submitted to the Department at the time of permitting for oil or gas well plugging and abandonment and environmental damage in accordance with the rules of this Section.

*History Note:* Authority G.S. 113-391(a)(5)l; 113-421(a3);  
Eff. March 17, 2015.