

STATEMENT OF PURPOSE

RS25269

This bill adds to and updates the current statutes regarding oil and gas to align with industry standards and increase transparency in production and development. The bill amends Chapter 3, Title 47, Idaho code, by the addition of a new section to require that when payment is made to any owner of a royalty interest, certain information shall be included on the payor's check stub or on an attachment to the form of payment and to define royalty payments; revises confidentiality provisions; clarifies metering requirements and responsibilities; defines a statewide spacing size; prohibits co-mingling of production without prior metering; revises application for integration order provisions, to remove an exception to requirements regarding good faith efforts to inform uncommitted owners of an intent to develop mineral resources in a proposed spacing unit and to revise confidentiality provisions; adds definitions and updates outdated language in the statute.

FISCAL NOTE

There is no fiscal impact as changes clarify current responsibilities and do not require additional work on the behalf of state agencies or departments. The Department of Lands is currently pursuing increased online reporting measures and any costs would be included in their current project scope. Updating this language and increasing transparency should reduce contested hearings and decrease additional work for state agencies.

Contact:

Senator Abby Lee
(208) 332-1000

DISCLAIMER: This statement of purpose and fiscal note are a mere attachment to this bill and prepared by a proponent of the bill. It is neither intended as an expression of legislative intent nor intended for any use outside of the legislative process, including judicial review (Joint Rule 18).