

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 509

BY RESOURCES AND CONSERVATION COMMITTEE

AN ACT

1 RELATING TO OIL AND GAS; AMENDING SECTION 47-306, IDAHO CODE, TO PROVIDE THAT  
2 THE IDAHO GEOLOGICAL SURVEY SHALL PRESERVE CERTAIN SAMPLES AND RECORDS,  
3 TO PROVIDE FOR THE USE OF SUCH SAMPLES AND RECORDS AND TO PROVIDE FOR  
4 CERTAIN REPORTS OF DETERMINATIONS AND IDENTIFICATIONS SPECIFIC TO THE  
5 SAMPLES AND RECORDS; AMENDING SECTION 47-307, IDAHO CODE, TO AUTHO-  
6 RIZE SPECIFIED USES OF INFORMATION DERIVED FROM SAMPLES AND RECORDS  
7 DEPOSITED WITH THE IDAHO GEOLOGICAL SURVEY, TO PREVENT THE DISCLOSURE  
8 OF INFORMATION UNDER CERTAIN CONDITIONS, TO PROVIDE THAT THE IDAHO  
9 GEOLOGICAL SURVEY SHALL SHARE CERTAIN INFORMATION WITH THE IDAHO OIL  
10 AND GAS CONSERVATION COMMISSION AND THE DEPARTMENT OF LANDS AND TO PRO-  
11 VIDE THAT SUCH ACTION SHALL NOT RENDER THE SHARED INFORMATION SUBJECT  
12 TO DISCLOSURE UNDER SPECIFIED LAW; AND AMENDING SECTION 47-319, IDAHO  
13 CODE, TO PROVIDE CORRECT CODE REFERENCES, TO PROVIDE FOR THE SHARING OF  
14 CERTAIN RECORDS AND INFORMATION BETWEEN THE OIL AND GAS CONSERVATION  
15 COMMISSION, THE DEPARTMENT OF LANDS AND THE IDAHO GEOLOGICAL SURVEY, TO  
16 PROVIDE THAT SUCH ACTION SHALL NOT RENDER THE SHARED INFORMATION SUB-  
17 JECT TO DISCLOSURE UNDER SPECIFIED LAW, TO PROVIDE FOR THE SHARING OF  
18 CERTAIN INFORMATION WITH OTHER STATE AGENCIES IF AUTHORIZED BY LAW AND  
19 TO MAKE TECHNICAL CORRECTIONS.  
20

21 Be It Enacted by the Legislature of the State of Idaho:

22 SECTION 1. That Section 47-306, Idaho Code, be, and the same is hereby  
23 amended to read as follows:

24 47-306. PRESERVATION AND USE OF SAMPLES AND RECORDS OF LOGS --  
25 CLASSIFICATION OF ROCKS, FOSSILS, AND MINERALS -- REPORTS TO AUTHORIZED  
26 PERSONS OF DETERMINATIONS AND IDENTIFICATIONS. ~~The Idaho geological survey~~  
27 ~~shall preserve orderly records of logs filed with it and shall determine and~~  
28 ~~record and classify rocks shown by samples, identify fossils and minerals,~~  
29 ~~and, on request, shall supply to the properly authorized person, connected~~  
30 ~~with the drilling operations from which logs and samples are received a re-~~  
31 ~~port of such determinations and identifications~~ The Idaho geological survey  
32 shall preserve any samples or records deposited with it pertaining to min-  
33 eral, oil or gas resources, exploration or production on lands within the  
34 state. The Idaho geological survey may use such samples or records to assist  
35 with mineral and petroleum assessments and characterization of geologic  
36 resources as part of its mission and directive to determine the geology,  
37 hydrogeology, geologic hazards, and mineral, oil and gas resources of the  
38 state. On request, the Idaho geological survey shall supply to the owner  
39 or owners of the samples or records a report of any such determinations and  
40 identifications specific to the samples or records provided by the owner or  
41 owners of the samples or records.

1 SECTION 2. That Section 47-307, Idaho Code, be, and the same is hereby  
2 amended to read as follows:

3 47-307. USE OF INFORMATION. ~~The Idaho geological survey is hereby~~  
4 ~~authorized to utilize in its study of regional rock structures, mineral~~  
5 ~~deposits, and underground water resources, the information so derived~~ The  
6 Idaho geological survey is hereby authorized to utilize in its study of  
7 regional geology, mineral deposits, industrial minerals and aggregates,  
8 oil and gas resources, and groundwater resources, in its dissemination of  
9 geological and mineral data, and in its publication of reports and maps on  
10 the geology and mineral resources of the state, any information derived from  
11 samples and records deposited with it. The Idaho geological survey shall not  
12 disclose any record, or any information contained therein, if the record or  
13 information is exempt from disclosure under the Idaho public records act,  
14 chapter 1, title 74, Idaho Code, or is subject to a confidentiality agreement  
15 between the Idaho geological survey and the owner or owners of the records  
16 or information. Should a confidentiality or data-sharing agreement exist,  
17 the terms of that agreement shall control any disclosure by the Idaho geo-  
18 logical survey. For information that becomes publicly available or that is  
19 not exempt from disclosure under the Idaho public records act, the existence  
20 of a confidentiality or data-sharing agreement will not extend the period of  
21 confidentiality beyond that available under the Idaho public records act.  
22 Subject to any confidentiality or data-sharing agreement, the Idaho geo-  
23 logical survey is authorized to share such records or information obtained  
24 under section 47-306, Idaho Code, or information derived therefrom, with the  
25 Idaho oil and gas conservation commission and the Idaho department of lands,  
26 in furtherance of the respective authorized functions of the commission and  
27 the Idaho department of lands. The sharing of information between the Idaho  
28 geological survey, the oil and gas conservation commission and the Idaho  
29 department of lands shall not render the shared information subject to dis-  
30 closure to other persons under the Idaho public records act.

31 SECTION 3. That Section 47-319, Idaho Code, be, and the same is hereby  
32 amended to read as follows:

33 47-319. LAND SUBJECT TO ACT -- AUTHORITY OF COMMISSION. (1) This act  
34 shall apply to all lands located in the state, however owned, including any  
35 lands owned or administered by any government or any agency or political sub-  
36 division thereof, over which the state under its police power, has jurisdic-  
37 tion.

38 (2) The commission is authorized and it is its duty to regulate the ex-  
39 ploration for and production of oil and gas, prevent waste of oil and gas and  
40 to protect correlative rights, and otherwise to administer and enforce this  
41 act. It has jurisdiction over all persons and property necessary for such  
42 purposes. In the event of a conflict, the duty to prevent waste is paramount.

43 (3) The commission is authorized to make such investigations as it  
44 deems proper to determine whether action by the commission in discharging  
45 its duties is necessary.

46 (4) The commission is authorized to appoint, as necessary, committees  
47 for the purpose of advising the commission on matters relating to oil and  
48 gas.

1 (5) Without limiting its general authority, the commission shall have  
2 the specific authority to require:

3 (a) Identification of ownership of oil or gas wells, producing leases,  
4 tanks, plants, structures, and facilities for the transportation or re-  
5 fining of oil and gas;

6 (b) The taking and preservation of samples and the making and filing  
7 with the commission of true and correct copies of well logs and direc-  
8 tional surveys both in form and content as prescribed by the commission;  
9 provided however, that logs of exploratory or wildcat wells marked con-  
10 fidential shall be subject to disclosure according to chapter 1, title  
11 74, Idaho Code, and shall be kept confidential by the commission for a  
12 period of one (1) year from the date of filing the log with the commis-  
13 sion. And provided that the commission may use any well logs and direc-  
14 tional surveys in any action to enforce the provisions of this chapter  
15 or any order or rule adopted hereunder. And provided further, that af-  
16 ter four (4) months from the effective date of this act, the commission  
17 may require the owner of a well theretofore drilled for oil or gas to  
18 file within four (4) months of such order a true and correct copy of the  
19 log or logs of such well;

20 (c) The drilling, casing, operation and plugging of wells in such man-  
21 ner as to prevent: (i) the escape of oil or gas out of one (1) pool into  
22 another; (ii) the detrimental intrusion of water into an oil or gas pool  
23 that is avoidable by efficient operations; (iii) the pollution of fresh  
24 water supplies by oil, gas, or salt water; (iv) blow-outs, cavings,  
25 seepages, and fires; and (v) waste as hereinabove defined;

26 (d) The taking of tests of oil or gas wells;

27 (e) The furnishing of a reasonable performance bond with good and suf-  
28 ficient surety, conditioned upon the performance of the duty to comply  
29 with the requirements of this law and the regulations of the commission  
30 with respect to the drilling, maintaining, operating and plugging of  
31 each well drilled for oil or gas;

32 (f) That the production from wells be separated into gaseous and liquid  
33 hydrocarbons, and that each be measured by means and upon standards that  
34 may be prescribed by the commission;

35 (g) That wells not be operated with inefficient gas-oil or water-oil  
36 ratios, and to fix these ratios, and to limit production from wells with  
37 inefficient gas-oil or water-oil ratios;

38 (h) Metering or other measuring of oil, gas, or product;

39 (i) That every person who produces oil and gas in the state keep and  
40 maintain for a period of five (5) years complete and accurate records  
41 of the quantities thereof, which records, or certified copies thereof,  
42 shall be available for examination by the commission or its agents at  
43 all reasonable times within said period, and that every such person file  
44 with the commission such reasonable reports as it may prescribe with  
45 respect to such oil or gas production. Provided however, that reports  
46 of oil and gas production shall be kept confidential by the commission  
47 and shall be exempt from disclosure pursuant to section ~~9-340D~~ 74-107,  
48 Idaho Code, for a period of six (6) months from the date of filing the  
49 initial production report for a well with the commission, and there-

1 after all production reports for a well shall be subject to disclosure  
2 pursuant to chapter 3, ~~title 9~~ 1, title 74, Idaho Code; and

3 (j) The filing of reports of plats with the commission that it may pre-  
4 scribe.

5 (6) Without limiting its general authority, and without limiting the  
6 authority of other state agencies or local government as provided by law, the  
7 commission shall have the specific authority to regulate:

8 (a) The drilling and plugging of wells and the compression or dehydra-  
9 tion of produced oil and gas, and all other operations for the produc-  
10 tion of oil and gas;

11 (b) The shooting and treatment of wells;

12 (c) The spacing or locating of wells;

13 (d) Operations to increase ultimate recovery, such as cycling of gas,  
14 the maintenance of pressure, and the introduction of gas, water, or  
15 other substances into a producing formation; and

16 (e) The disposal of ~~salt water~~ saltwater and ~~oil-field~~ oil field  
17 wastes.

18 (7) The commission is authorized to classify and reclassify pools as  
19 oil, gas, or condensate pools, or wells as oil, gas, or condensate wells.

20 (8) The commission is authorized to make and enforce rules, regula-  
21 tions, and orders reasonably necessary to prevent waste, protect correla-  
22 tive rights, to govern the practice and procedure before the commission, and  
23 otherwise to administer this act.

24 (9) The commission is authorized to share such records or information  
25 with the Idaho geological survey. When any such record or information is  
26 exempt from disclosure under the Idaho public records act, section 74-101,  
27 et seq., Idaho Code, the sharing of such record or information between the  
28 oil and gas conservation commission, the Idaho department of lands, and the  
29 Idaho geological survey shall not render the shared information subject  
30 to disclosure to other persons under the Idaho public records act, section  
31 74-101, et seq., Idaho Code. Notwithstanding the foregoing, nothing in this  
32 section shall be construed to limit the sharing of such records or infor-  
33 mation by the oil and gas commission and the Idaho department of lands with  
34 other state agencies, when authorized by law.