

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 48

BY RESOURCES AND CONSERVATION COMMITTEE

AN ACT

RELATING TO OIL AND GAS; AMENDING SECTION 47-319, IDAHO CODE, TO PROVIDE FOR
THE CONFIDENTIALITY OF CERTAIN RECORDS FOR A DESIGNATED PERIOD OF TIME.

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

SECTION 1. That Section 47-319, Idaho Code, be, and the same is hereby
amended to read as follows:

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

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

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

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

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

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

(b) The taking and preservation of samples and the making and filing
with the commission of true and correct copies of well logs and direc-
tional surveys both in form and content as prescribed by the commission;
provided however, that logs of exploratory or wildcat wells marked con-
fidential shall be subject to disclosure according to chapter 3, title
9, Idaho Code, and shall be kept confidential by the commission for a
period of one (1) year from the date of filing the log with the commis-
sion. And provided that the commission may use any well logs and direc-
tional surveys in any action to enforce the provisions of this chapter
or any order or rule adopted hereunder. And provided further, that af-
ter four (4) months from the effective date of this act, the commission
may require the owner of a well theretofore drilled for oil or gas to
file within four (4) months of such order a true and correct copy of the
log or logs of such well;

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

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

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

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

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

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

20 (i) That every person who produces oil and gas in the state keep and
21 maintain for a period of five (5) years complete and accurate records
22 of the quantities thereof, which records, or certified copies thereof,
23 shall be available for examination by the commission or its agents at
24 all reasonable times within said period, and that every such person file
25 with the commission such reasonable reports as it may prescribe with re-
26 spect to such oil or gas production. Provided however, that reports of
27 oil and gas production shall be kept confidential by the commission and
28 shall be exempt from disclosure pursuant to section 9-340D, Idaho Code,
29 for a period of six (6) months from the date of filing the initial pro-
30 duction report for a well with the commission, and thereafter all pro-
31 duction reports for a well shall be subject to disclosure pursuant to
32 chapter 3, title 9, Idaho Code; and

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

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

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

41 (b) The shooting and treatment of wells;

42 (c) The spacing or locating of wells;

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

46 (e) The disposal of salt water and oil-field wastes.

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

49 (8) The commission is authorized to make and enforce rules, regula-
50 tions, and orders reasonably necessary to prevent waste, protect correla-

1 tive rights, to govern the practice and procedure before the commission, and
2 otherwise to administer this act.