

TITLE 42
IRRIGATION AND DRAINAGE -- WATER RIGHTS AND RECLAMATION

CHAPTER 40
GEOTHERMAL RESOURCES ACT

42-4001. SHORT TITLE. This act may be known and cited as the Idaho Geothermal Resources Act.

[42-4001, added 1972, ch. 301, sec. 2, p. 749.]

42-4002. DEFINITIONS. Whenever used in this act the term:

(a) "Department" means the Idaho department of water resources.

(b) "Director" means the director of the Idaho department of water resources.

(c) "Geothermal resource" means the natural heat energy of the earth, the energy, in whatever form, which may be found in any position and at any depth below the surface of the earth present in, resulting from, or created by, or which may be extracted from such natural heat, and all minerals in solution or other products obtained from the material medium of any geothermal resource. Ground water having a temperature of two hundred twelve (212) degrees Fahrenheit or more in the bottom of a well shall be classified as a geothermal resource. Geothermal resources are found and hereby declared to be sui generis, being neither a mineral resource nor a water resource, but they are also found and hereby declared to be closely related to and possibly affecting and affected by water and mineral resources in many instances.

(d) "Geothermal area" means the same general land area which, in its subsurface, is underlaid or reasonably appears to be underlaid by geothermal resources from or in a single reservoir, pool, or other source or interrelated sources, as such area or areas may be from time to time designated by the director.

(e) "Material medium" means any substance, including, but not limited to, naturally heated fluids, brines, associated gases, and steam, in whatever form, found at any depth and in any position below the surface of the earth, which contains or transmits the natural heat energy of the earth, but excluding petroleum, oil, hydrocarbon gas, or other hydrocarbon substances.

(f) "Permit" means a permit issued pursuant to this act for the construction and operation of any well or injection well.

(g) "Person" means any individual, natural person, general or limited partnership, joint venture, association, cooperative organization, corporation whether domestic or foreign, agency or subdivision of this or any other state, or any municipal or quasi-municipal entity whether or not it is incorporated.

(h) "Waste" means any physical waste including, but not limited to:

(1) Underground waste resulting from the inefficient, excessive or improper use or dissipation of geothermal energy in or of any geothermal resource pool, reservoir, or other source; or the locating, spacing, construction, equipping, operating, or producing of any well in a manner which results, or tends to result, in reducing the quantity of geothermal energy to be recovered from any geothermal area in this state;

(2) The inefficient above-ground transporting and storage of geothermal energy; and the locating, spacing, equipping, operating, or producing of any well or injection well in a manner causing, or tending to

cause, unnecessary or excessive surface loss or destruction of geothermal energy;

(3) The escape into the open air, from a well, of steam or hot water in excess of what is reasonably necessary in the efficient development or production of a well.

(i) "Well" means any excavation or other alteration in the earth's surface or crust by means of which the energy of any geothermal resource and/or its material medium is sought or obtained.

(j) "Injection well" means any special well, converted producing well or reactivated or converted abandoned well employed for injecting material into a geothermal area to maintain pressures in a geothermal reservoir, pool, or other source, or to provide new material or to serve as a material medium therein, or for reinjecting any material medium or the residue thereof or any by-product of geothermal resource exploration or development into the earth.

(k) "Board" means the Idaho water resource board.

[42-4002, added 1972, ch. 301, sec. 3, p. 749; am. 1974, ch. 20, sec. 50, p. 533; am. 1974, ch. 297, sec. 1, p. 1753; am. 1987, ch. 347, sec. 14, p. 757.]

42-4003. PERMITS -- APPLICATION -- FEE -- EXCEPTIONS. (1) Any person who, as owner or operator, proposes to construct a well or to alter a well or to construct or to alter an injection well shall first apply to the director for a geothermal resource well permit, except as provided in subsection (2) of this section.

(2) The use of ground water classified as a geothermal resource or material medium for the development and operation of oil and gas wells permitted under section 47-316, Idaho Code, shall not be subject to the provisions of this chapter. However, the director of the department of water resources may initiate a contested case in accordance with the provisions of chapter 52, title 67, Idaho Code, and the rules of procedure promulgated by the department, if the department has reason to believe that an oil and gas well will cause, is causing or has caused, significant negative impacts to pressure, temperature, quality necessary for beneficial use or quantity of water available to water rights existing at the time of the development of the oil and gas well or to a geothermal resource that can be beneficially used. The evidence of causation must come from the department or be credible information from a water right holder or a geothermal resource permit holder existing at the time of the development of the oil and gas well. It shall be the burden of the entity operating the oil and gas well to establish that it will not cause, is not causing and has not caused significant negative impacts to pressure, temperature, quality necessary for beneficial use or quantity of water available to existing water rights existing at the time of the development of the oil and gas well or to geothermal resource that can be beneficially used. If the director determines that the well will cause, is causing or has caused significant negative impacts to pressure, temperature, quality necessary for beneficial use or quantity of water available to a water right existing at the time of the development of the oil and gas well or to a geothermal resource that can be beneficially used, the director may order the operator to take measures to mitigate those impacts.

(3) Such application required pursuant to subsection (1) of this section shall set out the following information on a form or forms prescribed by the department:

(a) The name of any person making the application; if such person is a partnership, joint-venture, association, or other unincorporated group of corporate or natural persons, the names and places of domicile of each of the constituent persons who have general partnership responsibility and authority for and in such unincorporated group of persons; if any person named on a permit application is a corporation, its place of domicile, the names and places of domicile of its principal executive officers, and the names and places of domicile of any person or persons owning a thirty percent (30%) or greater interest, whether legal, beneficial, or a combined legal and beneficial interest, in such corporate person; if the applicant is making an application as an agent for any other person, it shall be clearly so stated and any person who is the applicant's principal shall be subject to each and all of the disclosure requirements of this subsection; for purposes of this subsection, the domicile of a corporation is at all of the following:

- (i) The place of incorporation;
- (ii) The principal place of business;
- (iii) The place, by city and state, of the home office, and in any instance where domicile is required to be disclosed all of these places shall be specified.

(b) The location of the proposed well; and/or the injection well described particularly by the quarter-quarter section according to the township and range system of the United States public lands survey.

(c) The length, size, type, and thickness of casing proposed to be used in such well and/or such injection well and any other devices or techniques to be used in the drilling, operation, and maintenance of such well and/or injection well for the purpose of conserving geothermal resources and their availability, avoiding waste and for the protection of other subsurface natural resources.

(d) The character and composition of the material expected to be derived from such well.

(e) The means proposed to be used to contain and manage the material expected to be derived from such well or injected into such injection well in order to avoid unreasonable damage to life, property, or surface and atmospheric natural resources.

(f) Whether such well or such injection well is proposed to be constructed as a part of a program for exploration or for development of an already explored geothermal resource area.

(g) Such other information as the director may determine to be necessary for the administration of this chapter.

(4) Any application for a permit to construct a well which is made pursuant to this section, if the construction or operation of such well will involve the use of water, or if such well may be expected to yield water to be used, for any beneficial purpose, other than as a mineral source, an energy source, or otherwise as a material medium, shall be accompanied by an application to appropriate the public waters of this state in the form prescribed in chapter 2, title 42, Idaho Code, and by rules adopted pursuant thereto, and such application to appropriate the public waters shall be governed in all respects by that chapter.

(5) Any application for a permit made pursuant to this section shall be accompanied by a filing fee of:

- (a) Two hundred dollars (\$200) if for a well; or
- (b) One hundred dollars (\$100) for an injection well;

and no application shall be accepted and filed by the director until such filing fee has been deposited with him. All moneys received under the provisions of this chapter shall be deposited with the state treasurer in the water administration fund as provided in section 42-238a, Idaho Code.

(6) No person shall construct or alter a well or an injection well without having first secured a permit therefor; provided however, that the director may, by general rule adopted pursuant to chapter 52, title 67, Idaho Code, exempt specific categories of wells or injection wells otherwise embraced by this chapter upon a finding that the purposes of this chapter do not require that such wells be subject to the permit requirement of this section.

(7) Nothing in this chapter shall be construed as affecting any valid, vested water rights for water in use on or before July 1, 1987.

(8) The director shall have the authority to and may designate any area of the state a "geothermal area" when the director finds or has reason to believe that such designation is necessary to protect the geothermal resource from waste and to protect other resources of the state from contamination or waste.

(9) No person shall drill a well for any purpose to a depth of three thousand (3,000) feet or more below land surface in a designated "geothermal area" without first obtaining a permit under the provisions of this section. Such permit shall be in addition to any permit required by other provisions of law.

(10) The owner of any well constructed or being constructed pursuant to section 47-316, Idaho Code, who encounters a geothermal resource, and who intends or desires to utilize such resource, shall make application for a geothermal permit as required under this section, provided however, that no additional filing fee shall be required.

(11) A geothermal resource shall be utilized primarily for its heat value. Usage of a geothermal resource primarily for some reason other than its heat value shall not be deemed a beneficial use of the resource.

[42-4003, added 1972, ch. 301, sec. 4, p. 749; am. 1974, ch. 20, sec. 51, p. 533; am. 1974, ch. 297, sec. 2, p. 1753; am. 1987, ch. 347, sec. 15, p. 758; am. 2007, ch. 189, sec. 1, p. 554; am. 2012, ch. 111, sec. 6, p. 307; am. 2017, ch. 271, sec. 30, p. 710.]

42-4004. PROCESSING OF APPLICATIONS -- INVESTIGATIONS -- HEARINGS. (a) Upon receipt of an application made pursuant to section 42-4003, Idaho Code, it shall be the duty of the director to examine such application to ascertain, within thirty (30) days of receipt, if it sets forth all information required by that section and all the information necessary for the director to make the determination required by this section. If upon such examination the application is found to be defective, the director shall return such application for correction, or notify the applicant that such application is defective, and the applicant may correct such application within thirty (30) days or make a new application. All applications which comply with the provisions of this chapter and with the rules of the water resource board shall be accepted by the director and numbered in a manner which will aid in their identification.

(b) Within thirty (30) days of the receipt and acceptance of a proper application and the determination of its completeness in accordance with subsection (a) of this section, the director shall undertake and thereafter diligently conduct such investigations as necessary to determine that the construction or alteration of the proposed well or injection well will be in

the public interest. The director may consider, but is not limited in his consideration to:

(1) The financial resources of the applicant, his principal, or other person who may be legally responsible for the subject well or injection well, and the probability that such person will be financially able to bear all costs for which he might be responsible which may be incident to the construction, operation, and maintenance of the well or injection well proposed to be constructed or altered.

(2) The adequacy of measures proposed to safeguard subsurface, surface, and atmospheric resources from unreasonable degradation, and especially to protect ground-water aquifers and surface-water sources from contamination which would render such water of lesser quality than it would have had but for the contamination.

(3) The possibility that the construction and maintenance of the proposed well will cause waste or will damage any geothermal resource, reservoir, or other source, by unreasonable reduction of pressures or unreasonable reduction of any geothermal resource material medium or in any other manner, so as to render any geothermal resource of unreasonably less value.

(4) The adequacy of measures proposed to safeguard the environment of the area around the site of the proposed well from unreasonable contamination or pollution.

(5) Any possible interdependence between any geothermal resource, reservoir, pool, or other source expected to be affected under the permit and any aquifers or other sources of ground waters used for beneficial uses other than uses as a material medium or a mineral source, and the probability that such interdependence may cause such ground-water sources to be inadequate to meet demands on them under existing water rights.

(c) Upon completion of the investigations required under subsection (b) of this section, the director shall approve the application in whole or in part or upon conditions, or reject the application. Any applicant or the director shall have a right to have a public hearing concerning the propriety of issuing a permit for which an application has been made under section 42-4003, Idaho Code. Hearings held under this subsection shall be governed by rules of procedure adopted by the water resource board pursuant to chapter 52, title 67, Idaho Code. Hearings held under this subsection shall be held at any location found to be appropriate by the water resource board.

[42-4004, added 1972, ch. 301, sec. 5, p. 749; am. 1974, ch. 20, sec. 52, p. 533; am. 2007, ch. 189, sec. 2, p. 556.]

42-4005. PERMIT -- ISSUANCE -- SUFFICIENT SECURITY -- REVIEW -- APPEAL. (a) If the director finds that the well or the injection well as proposed to be constructed or altered is in the public interest, he shall issue a permit. The director may issue a permit substantially in accordance with the specifications on the application, or the director may limit the scope of the permit granted or may issue a permit subject to conditions.

(b) If the director finds that the well or injection well as it is proposed to be constructed or altered in the application will not be in the public interest, he shall refuse to issue a permit. In no case shall the director issue a permit to construct or alter a well or injection well if he finds that use of the proposed well or injection well may be expected to un-

reasonably reduce the quality of any surface or ground waters below the quality which such waters would have had but for the proposed well.

(c) If the director refuses to issue a permit, or issues one subject to conditions or limitations, he shall issue a clear statement of his reasons for refusing to issue or issuing the limited permit. The director shall issue a statement of findings of fact and conclusions of law that provides a factual and legal basis for the order. The refusal of the director to issue a permit, together with the clear statement of the reasons for refusing to issue the permit shall be served on the applicant by certified mail. A permit issued conditionally or subject to limitations shall, with the statement of reasons required under this subsection, be served in the same manner as a refusal to issue a permit.

(d) An applicant denied a permit or issued a limited or conditional permit may seek a public hearing before the water resource board. A certified transcript of the proceedings and the evidence received at such hearing shall be maintained by the board. The board shall affirm, modify or reject the director's decision, and make its decision in the form of an order to the director. The hearing shall be conducted in accordance with chapter 52, title 67, Idaho Code. Judicial review of the final determination by the board may be secured pursuant to chapter 52, title 67, Idaho Code.

(e) The director shall not issue a permit if he finds that the operation of any well under a proposed permit will decrease ground water in any aquifer or other ground water source or will unreasonably decrease ground water available for prior water rights in any aquifer or other ground water source of water for beneficial uses, other than uses as a mineral source, an energy source, or otherwise as a material medium, unless and until the applicant has also obtained a permit for the appropriation of ground waters under chapter 2, title 42, Idaho Code.

(f) The director shall require, as a condition of every permit, that every person who engages in the construction, alteration, testing, or operation of a well provide evidence of good and sufficient security in the form of a bond, trust fund, letter of credit, insurance or other acceptable surety that ensures that the applicant perform the duties required by this chapter and properly abandon any well covered by such permit. Good and sufficient security shall be an amount not less than ten thousand dollars (\$10,000) or more than one hundred thousand dollars (\$100,000) as determined by the director based on the size and depth of the well, the complexity of the well, the resource to be recovered, the area of operation, and other relevant factors.

(g) Notwithstanding the requirements for sufficient security for individual permits identified in this section, the director shall have the discretion to accept evidence of good and sufficient security in the form of a comprehensive wellfield or statewide bond, trust fund, letter of credit, insurance or other acceptable surety for all well permits owned by the applicant within a field or within the state, provided the amount of the comprehensive security does not exceed the total sum of the amounts under each individual permit.

[42-4005, added 1972, ch. 301, sec. 6, p. 749; am. 1974, ch. 20, sec. 53, p. 533; am. 1980, ch. 238, sec. 22, p. 551; am. 1987, ch. 347, sec. 16, p. 760; am. 1993, ch. 216, sec. 40, p. 623; am. 2004, ch. 63, sec. 1, p. 284; am. 2007, ch. 189, sec. 3, p. 557.]

42-4006. PERMIT APPLICATIONS -- CONSOLIDATION. The water resource board may, by regulation, provide for the consolidation of permit applications where several wells are proposed to be constructed in a geothermal area either for exploration or for development. Such regulations shall be promulgated according to the provisions of chapter 52, title 67, Idaho Code. A consolidated permit application shall be in substantial compliance with the requirements of section 42-4003, Idaho Code.

[42-4006, added 1972, ch. 301, sec. 7, p. 749; am. 1974, ch. 20, sec. 54, p. 533.]

42-4007. WELL ABANDONMENT OR DISCONTINUANCE OF OPERATION -- NOTICE. At least five (5) days before any operation to abandon any well or injection well is commenced, the owner or operator thereof shall submit in writing a notification of intention to abandon to the director for approval, except that it shall be permissible to give oral notice followed within twenty-four (24) hours by written confirmation. Such notification shall clearly state the condition of the well or injection well, and the proposed method of abandonment. No person shall commence any operation to abandon a well or an injection well without approval by the director.

[42-4007, added 1972, ch. 301, sec. 8, p. 749; am. 1974, ch. 20, sec. 55, p. 533.]

42-4008. WELL ABANDONMENT -- ORDER OF APPROVAL OR DISAPPROVAL. The director may, before the proposed date for commencing any abandonment operation, approve by order in writing, or, if found to be necessary, approve orally to be followed within forty-eight (48) hours by a written approval order, or disapprove by order in writing, any proposed abandonment. An approval order may be made conditional or limited. Any conditional or limited approval order and any disapproval order shall be accompanied by requests for further tests or other practices than those proposed by the person seeking approval, which tests or practices would remove the disability from the proposed abandonment.

[42-4008, added 1972, ch. 301, sec. 9, p. 749; am. 1974, ch. 20, sec. 56, p. 533.]

42-4009. WELL ABANDONMENT -- REPORT -- ACTION BY DIRECTOR. (a) Within five (5) days after the completion of the abandonment of any well or injection well, the owner or operator of the abandoned well or injection well shall report, in writing to the director on such form as may be prescribed by the director, on all work done with respect to the abandonment.

(b) If the director finds that the abandonment failed to comply with the director's approval order or is otherwise not in compliance with this act or any regulation or order adopted or issued pursuant hereto, the director may issue an order disapproving such abandonment and/or requiring the person who abandoned the well or injection well to comply with the provisions of this act and any valid order or regulation adopted pursuant hereto or to do anything necessary to avoid waste and to protect life, property, and the natural resources of this state. Any owner or operator who receives a disapproval order under this section is a person who has commenced to abandon a well or injection well without approval, for purposes of any civil or criminal relief available under this act.

[42-4009, added 1972, ch. 301, sec. 10, p. 749; am. 1974, ch. 20, sec. 57, p. 533.]

42-4010. POWERS AND DUTIES -- PENALTIES -- ENFORCEMENT PROCEDURE. (a) The water resource board may adopt, amend, or rescind reasonable rules, regulations, and construction standards necessary to the administration of this chapter in accordance with chapter 52, title 67, Idaho Code.

(b) The board may require that owners or operators of wells or injection wells keep or cause to be kept well logs, core records, and drilling histories of such wells or injection wells. It may require that copies of such logs, records, and/or histories be filed with the director within a reasonable time after well completion. It may further require such other geologic, geochemical, or engineering plans, reports, or records as necessary for the administration of this chapter. Any reports, logs, records, or histories filed with the director shall be available for public inspection subject to disclosure according to chapter 1, title 74, Idaho Code, and shall be kept as confidential by the director for a period of one (1) year from well completion, provided however, that the director may use any such reports, logs, records, or histories in any action in any court to enforce the provisions of this chapter or any order or regulation adopted hereunder.

(c) The director may enter onto private land at any time to inspect any well or geothermal resource development project to determine if such well or project is being constructed, operated, or maintained according to any applicable permits or to determine if the construction, operation, or maintenance of such well or project may involve a threat to life or property or an unreasonable risk to subsurface, surface, or atmospheric resources.

(d) If the director finds that any person is constructing, operating or maintaining any well or injection well not in accordance with any applicable permit or in a fashion so as to involve an unreasonable risk of, or so as to cause, damage to life or property or subsurface, surface, or atmospheric resources, the director may issue an order to such person to correct or to stop such practices as are found to be improper and to mitigate any injury of any sort caused by such practices.

(e) The director may enforce any provision of this chapter or any order or regulation issued or adopted pursuant hereto by an appropriate action in the district court. The director may bring an action in the district court to have enjoined any threatened noncompliance with any provision of this chapter, regulations, or orders of the director, or any threatened harm to life, property, or surface, subsurface, or atmospheric resources which would be caused by such noncompliance. It shall be the duty of the attorney general to institute and prosecute civil enforcement actions or injunctive actions as provided in this chapter, and to prosecute actions or proceedings for the enforcement of any criminal provisions of this chapter. The attorney general may delegate the authority and duty under this section to prosecute criminal actions to the prosecuting attorney of the county in which such a criminal action may arise.

(f) Any willful violation of or failure to comply with any provision of this chapter, or regulation adopted or order issued pursuant to the chapter, shall be a misdemeanor punishable by a fine of up to ten thousand dollars (\$10,000) for each offense or a sentence of up to six (6) months in a county jail or both; each day of a continuing violation shall be a separate offense under this subdivision. When the director of the department of water resources determines that any person is in substantial violation of any provision of this chapter or any rule, permit, certificate, condition of approval or order issued or promulgated pursuant to this chapter, the director may commence an administrative enforcement action by issuing a written

notice of violation in accordance with the provisions of section 42-1701B, Idaho Code. A responsible or principal executive officer of any corporate person may be liable under this subdivision if such corporate person is not in compliance with any provision of this chapter or with any valid order or regulation adopted pursuant hereto.

(g) The director shall undertake such studies, investigations, or research programs as necessary for the proper administration of this chapter and in order to develop experience in and understanding of the entire field of geothermal resource exploration and development in both its technical and regulatory aspects. The director and board shall cooperate with other Idaho state agencies, the state institutions of higher learning, agencies of other states, and agencies of the federal government in the preparation of such investigations, studies, or research projects. The director and board may cooperate with the scientists at the Idaho national engineering laboratory in their research, development, engineering and demonstration of geothermal projects.

(h) The director may enter into cooperative agreements and memoranda of understanding with agencies of other states for the purpose of the administration of geothermal areas which are partially in Idaho and partially in one (1) or more other states.

[42-4010, added 1972, ch. 301, sec. 11, p. 749; am. 1974, ch. 20, sec. 58, p. 533; am. 1974, ch. 297, sec. 3, p. 1753; am. 1987, ch. 347, sec. 17, p. 762; am. 1990, ch. 213, sec. 62, p. 530; am. 1998, ch. 173, sec. 13, p. 612; am. 2015, ch. 141, sec. 118, p. 467.]

42-4011. NAME OF OWNER ON PERMIT -- TRANSFERS RESTRICTED -- PERMIT AMENDMENT, FEE. (a) No well may be owned or operated by any person whose name does not appear on the permit or permit application therefor, nor may any well be transferred to any new owner or operator unless an application to amend such permit has been approved by the director.

(b) No changes in or departure from the procedures, locations, data, or persons specified on the face of a permit shall be permitted under this act until an amendment to such permit is approved by the director. The board may specify forms upon which applications for amendments to permits may be filed with the director. Any application to amend a permit shall be accompanied by a filing fee of fifty dollars (\$50.00), and the director shall not accept an amendment application which is not accompanied by such filing fee. All such filing fees shall be deposited with the state treasurer in the water administration fund as provided in section 42-238a, Idaho Code.

(c) The director shall approve any permit application to amend a permit unless he finds that such amendment will not be in the public interest. If the director refuses to approve such amendment, he shall serve on the applicant, by certified mail, an order disapproving the amendment and setting out its [his] reasons for disapproving the amendment.

[42-4011, added 1972, ch. 301, sec. 12, p. 749; am. 1974, ch. 20, sec. 59, p. 533.]

42-4012. RESIDENT AGENT -- ACTIONS -- HEARINGS -- APPEALS. (a) Every permit holder, owner, and operator of any well shall designate to the director an agent who resides in this state upon whom may be served all orders, notices, or permits issued by the director.

(b) Any person adversely affected by any order, including orders following hearings held pursuant to this chapter, served on him by the board

or the director may bring an appeal therefrom to the district court within twenty-eight (28) days of such service, or, if he has not had a hearing before the board, he may request a hearing at such time. Such appeals shall be accomplished and reviewed pursuant to chapter 52, title 67, Idaho Code.

(c) Nothing contained in this section shall preempt any right of any person to any writ or other relief available in a civil action.

(d) Nothing contained in this act shall preempt any public nuisance or similar law of this state.

(e) All orders, permits, and notices issued by the director or the board under this act shall also bind and be effective on all successors and assigns of the persons to whom such orders, permits, and notices are addressed.

[42-4012, added 1972, ch. 301, sec. 13, p. 749; am. 1974, ch. 20, sec. 60, p. 533; am. 1980, ch. 238, sec. 23, p. 553; am. 1993, ch. 216, sec. 41, p. 624.]

42-4013. COOPERATIVE UNIT AGREEMENTS -- VOLUNTARY -- INVOLUNTARY. (a) Whenever the director finds that it is in the public interest and especially in the interest of the conservation of natural resources and of the protection of the geothermal resources of this state from waste, the lessors, lessees, operators, owners, or other persons holding or controlling royalty or other interests in the separate properties of the same geothermal area may, with the approval of the board, enter into an agreement for the purpose of bringing about the cooperative development, operation, and maintenance of all or a portion of the geothermal resources of the geothermal area as a unit; or for the purpose of fixing the time, location, and manner of drilling, operating, and maintaining of wells and of injection wells. Any such agreement shall bind the successors and assigns of the parties thereto and shall be enforceable by the parties thereto by an action for specific performance. No such agreement, when approved by the board pursuant to this section, shall be held to violate any of the statutes of this state prohibiting monopolies or acts, arrangements, agreements, contracts, combinations or conspiracies in restraint of trade or commerce to the extent that the provisions of such agreement relate to the purpose of this section. No such agreement authorization shall constitute a waiver of any permit, license, lease, or other authorization required under this act or under any other provision of state law or any regulation adopted by any agency or subdivision of this state. The board may establish procedures to govern the establishment or adoption of such cooperative unit agreements.

(b) Whenever the director finds that a geothermal resource area should be cooperatively operated as a unit to avoid waste, and the persons owning tracts or interests in such area refuse to enter into a cooperative agreement pursuant to subdivision (a) of this section, the board, after notice and hearing, may issue an order that such area shall be operated as a unit. Such order shall provide an equitable sharing of proceeds and liabilities from the geothermal resource area among the several owners of tracts and interests therein.

[42-4013, added 1972, ch. 301, sec. 14, p. 749; am. 1974, ch. 20, sec. 61, p. 533.]

42-4014. LIBERAL CONSTRUCTION. This act shall be construed liberally to serve its purposes and policy.

[42-4014, added 1972, ch. 301, sec. 15, p. 749.]

42-4015. STATUTORY CONSTRUCTION. Whenever the masculine gender is used in this act it shall read as the masculine, feminine, or neuter genders as may be appropriate; the singular form shall also be read as referring to the plural form wherever it is appropriate to do so.

[42-4015, added 1972, ch. 301, sec. 16, p. 749.]