

REFERENCE TITLE: oil and gas commission; helium

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SB 1733

Introduced by
Senator Finchem

AN ACT

AMENDING SECTIONS 27-501, 27-513, 27-514, 27-515, 27-517, 27-523, 27-524 AND 27-527, ARIZONA REVISED STATUTES; AMENDING TITLE 27, CHAPTER 4, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 27-528; AMENDING SECTIONS 27-659 AND 49-250, ARIZONA REVISED STATUTES; APPROPRIATING MONIES; RELATING TO RESOURCE EXTRACTION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Heading change

3 The article heading of title 27, chapter 4, article 1, Arizona
4 Revised Statutes, is changed from "PRODUCTION AND CONSERVATION" to "OIL
5 AND GAS CONSERVATION COMMISSION".

6 Sec. 2. Section 27-501, Arizona Revised Statutes, is amended to
7 read:

8 27-501. Definitions

9 In this article, unless the context otherwise requires:

10 1. "Certificate of clearance" means a permit approved and issued or
11 registered by the commission for transportation or delivery of oil, gas or
12 oil and gas products.

13 2. "Certificate of compliance" means a certificate issued by the
14 commission prior to connection of an oil or gas well with a pipeline,
15 showing compliance with the conservation laws of this state and
16 conservation rules and orders of the commission.

17 3. "Commission" or "commissioner" means the oil and gas
18 conservation commission.

19 4. "Completed well" means a well that meets any of the following
20 conditions:

21 (a) Has produced or is ready to produce new formation hydrocarbons
22 or gases.

23 (b) Has been declared a dry hole or plugged and abandoned.

24 (c) Has been otherwise readied for operation as in the case of
25 injection and service wells.

26 5. "Developed area" or "developed unit" means a drainage unit
27 having a completed well capable of producing oil or gas in paying
28 quantities.

29 6. "Drainage unit" or "drilling unit" means the maximum area in a
30 pool which may be drained efficiently by one well to produce the
31 reasonable maximum amount of recoverable oil or gas in the area.

32 7. "Field" means the general area ~~which~~ THAT is or appears to be
33 underlaid by not less than one pool, including underground reservoirs
34 containing oil or gas, or both.

35 8. "Fund" means the ~~state general~~ OIL AND GAS CONSERVATION
36 COMMISSION fund ESTABLISHED BY SECTION 27-528.

37 9. "Gas" means natural gas, casinghead gas, all other hydrocarbons
38 not defined as oil, carbon dioxide and helium or other substances of a
39 gaseous nature. Natural gas and casinghead gas are further defined as
40 follows:

41 (a) "Natural gas" means any combustible gas or vapor composed
42 chiefly of hydrocarbons occurring in gaseous or vapor phase at initial
43 reservoir conditions.

44 (b) "Casinghead gas" means any gas or vapor indigenous to an oil
45 stratum and produced from such stratum with oil.

1 10. "Illegal oil" and "illegal gas" means oil or gas produced within
2 the state from any well during any time in which the well has produced
3 more than the amount allowed by law or any rule or order of the commission
4 or the production of which causes waste.

5 11. "Illegal product" means any product derived, in whole or in
6 part, from illegal oil or gas.

7 12. "Net drainage" means drainage not equalized by counterdrainage.

8 13. "Oil" means crude petroleum oil and all other hydrocarbons,
9 regardless of gravity, ~~which~~ THAT are produced at a well in liquid form by
10 ordinary production methods and ~~which~~ THAT are not the result of
11 condensation of gas.

12 14. "Owner" means the person having the right to drill into, produce
13 and appropriate production of oil or gas, or both, from a pool.

14 15. "Person" includes a corporation, association, partnership,
15 receiver, trustee, guardian, executor, administrator, fiduciary or
16 representative or any group acting as a unit and includes any department,
17 agency or instrumentality of the state or any of its governmental
18 subdivisions.

19 16. "Pool" means an underground reservoir containing a common
20 accumulation of oil or gas, or both, and includes each zone of a general
21 structure completely separated from any other zone in the structure.

22 17. "Producer" means the owner of a well capable of producing oil or
23 gas.

24 18. "Product" means oil, gas or any product, by-product, mixture or
25 blend of oil or gas.

26 19. "Royalty owner" means a person who possesses an interest in the
27 production but who is not an owner.

28 20. "Waste" includes:

29 (a) Physical waste, as that term is generally understood in the oil
30 and gas industry.

31 (b) The inefficient, excessive or improper use of or the
32 unnecessary dissipation of reservoir energy.

33 (c) The locating, spacing, drilling, equipping, operating or
34 producing of any oil or gas well or wells in a manner ~~which~~ THAT causes or
35 tends to cause reduction in the quantity of oil or gas ultimately
36 recoverable from a pool under prudent and proper operations or ~~which~~ THAT
37 causes or tends to cause unnecessary or excessive surface loss or
38 destruction of oil or gas.

39 (d) The inefficient storing of oil or gas.

40 (e) The production of oil or gas in excess of transportation or
41 marketing facilities.

42 (f) The production of oil or gas when it is unprofitable to dispose
43 of such production.

21. "Well" includes any hole drilled or spudded in for the purpose, with the intention or under the representation of penetrating oil or gas bearing strata or of penetrating any strata in search of stratigraphic data pertinent to the location of oil or gas bearing strata, whether or not in either case oil or gas is actually discovered, any hole used in connection with the underground storage of hydrocarbon substances, whether liquid or gaseous, any hole used in connection with a process to inject any substance for purposes of disposal or to increase recovery, any hole used for the purpose of secondary or tertiary recovery and any hole used for the purpose of pressure maintenance. The commission may, as it considers to be in the best interests of ~~the~~ THIS state, determine that any hole drilled or spudded in shall be included within this definition to the extent necessary for the administration and enforcement of the rules required by section 27-516. The determination of the commission shall be final in any circumstance involving the question of purpose, intent or representation, except that the determination shall be subject to appeal as provided by section 27-520.

Sec. 3. Section 27-513, Arizona Revised Statutes, is amended to read:

27-513. Permit to drill well

~~BEFORE~~ a person ~~desiring to~~ MAY drill a well in search of oil or gas, ~~THE PERSON~~ shall notify the commissioner on a form prescribed by the commissioner, ~~and shall pay a fee of twenty-five dollars~~ AS PRESCRIBED BY ~~THE COMMISSIONER~~ for each well. ~~Upon~~ ON receipt of notification and the fee, the commissioner shall promptly issue the person a permit to drill, unless drilling the well is contrary to law or to a rule, regulation or order of the commissioner. Drilling the well is prohibited until a permit to drill is obtained in accordance with ~~the provisions of~~ this section.

Sec. 4. Section 27-514, Arizona Revised Statutes, is amended to read:

27-514. Commission; appointment; terms; compensation

A. The oil and gas conservation commission is established ~~in the department of environmental quality. The department of environmental quality shall provide staff support to the commission to administer this chapter.~~

B. The commission shall consist of the state land commissioner ex officio who shall have no vote, ~~and five members to be appointed by the governor, not more than three of whom shall be of the same political party. The appointive members shall be United States citizens and shall have been residents of this state for not less than the five years immediately preceding their appointment. Three members of the commission shall constitute~~ CONSTITUTE a quorum for the transaction of business.

C. Appointments ~~shall be~~ ARE for a full term of five years and expire on the third Monday in January in the appropriate year.

1 D. Appointive members ~~of the commission~~ shall receive compensation
2 ~~as determined~~ pursuant to section 38-611 for each day ~~actually~~ spent ~~in~~
3 ~~the performance of~~ **PERFORMING** official duties.

4 Sec. 5. Section 27-515, Arizona Revised Statutes, is amended to
5 read:

6 **27-515. Administration; powers of the commission; fees**

7 A. The commission shall administer and enforce this article and
8 other laws relating to conservation of oil and gas. The commission and
9 administrative staff, at any time, may enter property and inspect wells
10 drilled for oil or gas and well records, and shall control property,
11 machinery and appliances necessary to gauge the wells.

12 B. The commission may:

13 1. Administer oaths to a witness in any hearing, investigation or
14 proceeding held under this article or any other law relating to
15 conservation of oil and gas.

16 2. Issue subpoenas requiring attendance and testimony of witnesses
17 and production of books, papers and records deemed material or
18 necessary, and direct service of subpoenas by a sheriff or other officer
19 authorized by law to serve process.

20 3. Prescribe rules and do all acts necessary or advisable to carry
21 out this article.

22 4. Collect fees to cover the costs of services, including
23 reproduction of records or any portion of records and copies of rules.
24 The monies collected are ~~not~~ subject to section 27-523 ~~but shall be~~
25 ~~deposited, pursuant to sections 35-146 and 35-147, by the commission in~~
26 ~~the fund from which the expenditure was originally made.~~

27 5. Publish technical maps, cross sections and reports and sell
28 these materials for fees that will cover the costs incurred in their
29 preparation, reproduction and distribution.

30 C. The commission may enter into cooperative agreements with
31 agencies of the United States government, with agencies of state or local
32 government or with Indian tribes to protect the fresh water supplies of
33 this state from contamination or pollution brought about by the drilling
34 of any well or for any other purpose of this article.

35 D. The commission may apply for and accept gifts, devises and
36 donations of books, well records, maps or other materials. All donated
37 materials shall become public records.

38 E. Monies collected under subsection B, paragraph 5 of this section
39 are not subject to section 27-523 but shall be deposited, pursuant to
40 sections 35-146 and 35-147, in the permit administration fund established
41 by section 49-455 and shall be used to prepare, reproduce and distribute
42 further publications.

1 Sec. 6. Section 27-517, Arizona Revised Statutes, is amended to
2 read:

3 27-517. Hearings; reporter; fees

4 A. Any interested person ~~shall~~, by written request, ~~have the right~~
5 ~~to have~~ MAY REQUEST the commissioner TO call a hearing ~~for the purpose of~~
6 ~~taking~~ TO TAKE action in respect to any matter within the jurisdiction of
7 the commissioner. Hearings shall be held at the time and place the
8 commissioner directs, and any person having an interest in the subject
9 matter of the hearing may appear and be heard. ~~upon~~ ON receipt of the
10 request, the commissioner shall promptly call a hearing, and, not more
11 than thirty days thereafter shall take action with regard to the matter as
12 ~~he~~ THE COMMISSIONER deems appropriate. The request for hearing shall be
13 accompanied by a fee ~~of fifty dollars~~ ESTABLISHED BY THE COMMISSIONER.

14 B. The commissioner shall prescribe rules of order and procedure in
15 hearings or other proceedings held under this article. The commissioner
16 shall appoint a competent shorthand reporter to be present throughout all
17 public hearings. The reporter shall be sworn by the commissioner
18 faithfully to perform the duties of a reporter. The commissioner shall
19 have the same control and authority over the reporter as the judge of the
20 superior court exercises over a court reporter, and the duties of the
21 reporter shall, insofar as applicable, be the same as those fixed by law
22 for a court reporter.

23 C. As soon as possible following the hearing, the commission shall
24 bill the person requesting the hearing for the total cost of publication
25 for the notices of ~~such~~ THE hearing and the total cost of the court
26 reporter's fees less the ~~original fifty dollar~~ fee ESTABLISHED BY THE
27 COMMISSIONER. The requesting party, ~~shall~~ within ten days after receipt
28 of the billing by the commission, SHALL reimburse the commission the
29 amount of money ~~so~~ billed or be subject to the penalties as prescribed in
30 ~~subsection A of~~ section 27-527, SUBSECTION A. The ~~money so~~ MONIES
31 collected by the commission ~~shall not be~~ ARE subject to section 27-523 ~~but~~
32 ~~shall be deposited, pursuant to sections 35-146 and 35-147, by the~~
33 ~~commission in the fund from which the expenditure was originally made.~~

34 Sec. 7. Section 27-523, Arizona Revised Statutes, is amended to
35 read:

36 27-523. Deposit of monies; expenses

37 A. Monies collected by the commissioner under this article shall be
38 deposited, pursuant to sections 35-146 and 35-147, in the fund.

39 B. Expenses incident to the administration of this article shall be
40 paid from the STATE GENERAL fund, subject to legislative appropriation.

41 Sec. 8. Section 27-524, Arizona Revised Statutes, is amended to
42 read:

43 27-524. Enforcement

44 A. When it appears that a person is violating or threatening to
45 violate ~~any provision of~~ this article, or a rule, ~~regulation~~ or order

made pursuant to this article, and ~~such~~ THE person fails or refuses, on notice by the commissioner, to desist from ~~such~~ THE violation or threat of violation, the commissioner may DO EITHER OF THE FOLLOWING:

1. Bring an action in the superior court IN THE COUNTY where the offending person resides, or in the county in which THE violation is alleged to have occurred or is threatened, to restrain the person from continuing the violation or from carrying out a threat of violation.

2. ON THE MAJORITY VOTE OF THE COMMISSION, RESTRAIN THE PERSON FROM CONTINUING THE VIOLATION OR FROM CARRYING OUT A THREAT OF VIOLATION.

B. The commissioner may, without bond, obtain a prohibitory or mandatory injunction, including a temporary restraining order and preliminary injunction, and, where appropriate, an injunction restraining THE defendant from moving or disposing of illegal oil or gas or AN illegal product. ~~Upon~~ ON filing the action, A summons directed to ~~such~~ THE person may be delivered to the sheriff of any county in this state for service.

C. If the commissioner fails to bring AN action within ten days to enjoin a threatened or actual violation of any statute relating to conservation of oil and gas, or of any provision of this article, or a rule, ~~regulation~~ or order made pursuant to this article, any person or party in interest THAT IS adversely affected by the threatened or actual violation who has notified the commissioner in writing thereof and requested the commissioner to file the action may bring the action in the superior court ~~of~~ IN any county in which the commissioner might have brought the action to prevent the threatened or actual violation. The commissioner shall be made a party to the action.

D. If the court orders that injunctive relief be granted, then the commissioner shall be substituted for the person who brought the action, and the injunction shall issue as if the commissioner had at all times been THE plaintiff.

E. The owner or operator is responsible for the full cost of plugging each dry or abandoned well. If the owner or operator fails to properly plug and abandon the well, the commission may:

1. Forfeit the bond and use the ~~money~~ MONIES for that purpose.

2. Sue the owner or operator for costs in excess of the amount of the bond and the owner or operator is liable for that amount.

Sec. 9. Section 27-527, Arizona Revised Statutes, is amended to read:

27-527. Violation; classification

A. Any person who violates ~~any provision of~~ this article, or any rule, ~~regulation~~ or order of the commission, is subject to a civil penalty ~~of not more than one thousand dollars~~ AS PRESCRIBED BY THE COMMISSIONER for each violation and for each day the violation continues.

B. Any person ~~who~~, with the intent to evade this article, or any rule, ~~regulation~~ or order of the commission, WHO knowingly makes or causes to be made a false entry in any application, report, record,

1 account or memorandum required by this article or by any such
 2 rule, ~~regulation~~ or order, or who knowingly omits or causes to be omitted
 3 from any application, report, record, account or memorandum, full, true
 4 and correct entries as required by this article, ~~or~~ or by any such
 5 rule, ~~regulation~~ or order, or who knowingly removes from this state, or
 6 destroys, mutilates, alters or falsifies any such application, record,
 7 account or memorandum or knowingly makes any false statement to the
 8 commission or any member, officer, or employee of the commission
 9 concerning any matter within the jurisdiction of the commission is guilty
 10 of a class 2 misdemeanor.

11 C. The penalties provided in this section ~~shall be~~ ARE recoverable
 12 by EITHER OF THE FOLLOWING:

13 1. AN action filed by the attorney general, ~~in~~ in the name and on
 14 behalf of ~~the~~ THIS state, ~~in~~ in the superior court ~~of~~ IN the county in which
 15 the defendant resides, or in which any defendant resides if there ~~are~~ IS
 16 more than one defendant, ~~or~~ or in the superior court ~~of~~ IN any county in
 17 which the violation occurred.

18 2. A FINDING AND MAJORITY VOTE OF THE COMMISSION THAT A VIOLATION
 19 HAS OCCURRED AND A CIVIL PENALTY ASSESSED.

20 D. The payment of ~~any penalty shall not operate to legalize so that~~
 21 ~~it is no longer contraband~~ A PENALTY DOES NOT LEGALIZE any oil, gas or
 22 product involved in the violation for which the penalty is imposed, and
 23 shall not relieve a person on whom the penalty is imposed from liability
 24 to any other person for damages arising out of the violation.

25 Sec. 10. Title 27, chapter 4, article 1, Arizona Revised Statutes,
 26 is amended by adding section 27-528, to read:

27 27-528. Oil and gas conservation commission fund

28 A. THE OIL AND GAS CONSERVATION COMMISSION FUND IS ESTABLISHED
 29 CONSISTING OF LEGISLATIVE APPROPRIATIONS AND MONIES COLLECTED PURSUANT TO
 30 THIS ARTICLE AND SECTION 27-659. THE COMMISSION SHALL ADMINISTER THE
 31 FUND. MONIES ON THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION AND ARE
 32 EXEMPT FROM THE PROVISIONS OF SECTION 35-190 RELATING TO LAPSING OF
 33 APPROPRIATIONS. THE COMMISSION MAY USE MONIES IN THE FUND TO CARRY OUT
 34 THE PURPOSES OF THIS ARTICLE.

35 B. THE COMMISSION MAY ACCEPT AND SPEND FEDERAL MONIES AND PRIVATE
 36 GRANTS, GIFTS, CONTRIBUTIONS AND DEVICES TO ASSIST IN CARRYING OUT THE
 37 PURPOSES OF THIS ARTICLE.

38 Sec. 11. Section 27-659, Arizona Revised Statutes, is amended to
 39 read:

40 27-659. Application to drill

41 The owner or operator of any property, before commencing the
 42 drilling of a well or entering or deepening an abandoned well, shall file
 43 with the commission an application to drill, on a form prescribed by the
 44 commission, containing such information as may be required by the
 45 commission. Such application shall be accompanied by a fee ~~of twenty-five~~

1 ~~dollars per well~~ AS ESTABLISHED BY A MAJORITY VOTE OF THE COMMISSION. All
2 monies so received by the commission shall be deposited, pursuant to
3 sections 35-146 and 35-147, in the ~~state general fund~~ OIL AND GAS
4 CONSERVATION COMMISSION FUND ESTABLISHED BY SECTION 27-528.

5 Sec. 12. Section 49-250, Arizona Revised Statutes, is amended to
6 read:

7 49-250. Exemptions

8 A. The director, by rule, may exempt specifically described classes
9 or categories of facilities from the aquifer protection permit
10 requirements of this article on a finding either that there is no
11 reasonable probability of degradation of the aquifer or that aquifer water
12 quality will be maintained and protected because the discharges from the
13 facilities are regulated under other federal or state programs that
14 provide the same or greater aquifer water quality protection as provided
15 by this article.

16 B. The following are exempt from the aquifer protection permit
17 ~~requirement~~ REQUIREMENTS of this article:

- 18 1. Household and domestic activities.
- 19 2. Household gardening, lawn watering, lawn care, landscape
20 maintenance and related activities.
- 21 3. The noncommercial use of consumer products generally available
22 to and used by the public.
- 23 4. Ponds used for watering livestock and wildlife.
- 24 5. Mining overburden returned to the excavation site, including any
25 common material that has been excavated and removed from the excavation
26 site and that has not been subjected to any chemical or leaching agent or
27 process of any kind.
- 28 6. Facilities used solely for surface transportation or storage of
29 groundwater, surface water for beneficial use or reclaimed water that is
30 regulated pursuant to section 49-203, subsection A, paragraph 7 for
31 beneficial use.
- 32 7. Discharge to a community sewer system.
- 33 8. Facilities that are required to obtain a permit for the direct
34 reuse of reclaimed water.
- 35 9. Leachate resulting from the direct, natural infiltration of
36 precipitation through undisturbed regolith or bedrock if pollutants are
37 not added to the leachate as a result of any material or activity placed
38 or conducted by man on the ground surface.
- 39 10. Surface impoundments used solely to contain storm runoff,
40 except for surface impoundments regulated by the federal clean water act
41 or article 3.1 of this chapter.
- 42 11. Closed facilities. However, if the facility ever resumes
43 operation the facility shall obtain an aquifer protection permit and the
44 facility shall be treated as a new facility for purposes of section
45 49-243.

1 12. Facilities for the storage of water pursuant to title 45,
2 chapter 3.1 unless reclaimed water is added.

3 13. Facilities using central Arizona project water for underground
4 storage and recovery projects under title 45, chapter 3.1, article 6.

5 14. Water storage at a groundwater saving facility that has been
6 permitted under title 45, chapter 3.1.

7 15. Application of water from any source, including groundwater,
8 surface water or wastewater, to grow agricultural crops or for landscaping
9 purposes, except as provided in section 49-247.

10 16. Discharges to a facility that is exempt pursuant to paragraph 6
11 of this subsection if those discharges are regulated pursuant to 33 United
12 States Code section 1342 or article 3.1 of this chapter.

13 17. Solid waste and special waste facilities if rules addressing
14 aquifer protection are adopted by the director pursuant to section 49-761
15 or 49-855 and those facilities obtain plan approval pursuant to those
16 rules. This exemption shall apply only if the director determines that
17 aquifer water quality standards will be maintained and protected because
18 the discharges from those facilities are regulated under rules adopted
19 pursuant to section 49-761 or 49-855 that provide aquifer water quality
20 protection that is equal to or greater than aquifer water quality
21 protection provided pursuant to this article.

22 18. Facilities used in:

23 (a) Corrective actions taken pursuant to chapter 6, article 1 of
24 this title in response to a release of a regulated substance as defined in
25 section 49-1001 except for those off-site facilities that receive for
26 treatment or disposal materials that are contaminated with a regulated
27 substance and that are received as part of a corrective action.

28 (b) Response or remedial actions undertaken pursuant to article 5
29 of this chapter or pursuant to CERCLA.

30 (c) Corrective actions taken pursuant to the resource conservation
31 and recovery act of 1976, as amended (42 United States Code sections 6901
32 through 6992).

33 (d) Other remedial actions that have been reviewed and approved by
34 the appropriate governmental authority and taken pursuant to applicable
35 federal or state laws.

36 19. Municipal solid waste landfills as defined in section 49-701
37 that have solid waste facility plan approval pursuant to section 49-762.

38 20. Storage, treatment or disposal of inert material.

39 21. Structures that are designed and constructed not to discharge
40 and that are built on an impermeable barrier that can be visually
41 inspected for leakage.

42 22. Pipelines and tanks designed, constructed, operated and
43 regularly maintained so as not to discharge.

1 23. Surface impoundments and dry wells that are used to contain
2 storm water in combination with discharges from one or more of the
3 following activities or sources:

- 4 (a) Firefighting system testing and maintenance.
- 5 (b) Potable water sources, including waterline flushings.
- 6 (c) Irrigation drainage and lawn watering.
- 7 (d) Routine external building wash down without detergents.
- 8 (e) Pavement wash water if no spills or leaks of toxic or hazardous
9 material have occurred unless all spilled material has first been removed
10 and no detergents have been used.
- 11 (f) Air conditioning, compressor and steam equipment condensate
12 that has not contacted a hazardous or toxic material.
- 13 (g) Foundation or footing drains in which flows are not
14 contaminated with process materials.
- 15 (h) Occupational safety and health administration or mining safety
16 and health administration safety equipment.

17 24. Industrial wastewater treatment facilities designed,
18 constructed and operated as required by section 49-243, subsection B,
19 paragraph 1 and using a treatment system approved by the director to treat
20 wastewater to meet aquifer water quality standards prior to discharge, if
21 that water is stored at a groundwater storage facility pursuant to title
22 45, chapter 3.1.

23 25. Any point source discharge caused by a storm event and
24 authorized in a permit issued pursuant to section 402 of the clean water
25 act or an Arizona pollutant discharge elimination system permit under
26 article 3.1 of this chapter.

27 26. Except for class V wells that are operating as prescribed by
28 rules adopted pursuant to article 3.3 of this chapter or 42 United States
29 Code section 300h-1(c), any underground injection well covered by a permit
30 issued under article 3.3 of this chapter or under 42 United States Code
31 section 300h-1(c).

32 27. Coal combustion residuals units that are regulated under 40
33 Code of Federal Regulations part 257, subpart D or by a permit in effect
34 under the coal combustion residuals program established pursuant to
35 chapter 4, article 11 of this title and approved by the United States
36 environmental protection agency as prescribed by 42 United ~~State~~ STATES
37 Code section 6945(d)(1).

38 28. HELIUM EXPLORATION, WATER INJECTION WELLS AND PRODUCTION WELLS
39 THAT ARE DESIGNED, CONSTRUCTED, OPERATED AND MAINTAINED TO NOT DISCHARGE A
40 CONTAMINANT INTO AN AQUIFER AS DETERMINED BY THE OIL AND GAS CONSERVATION
41 COMMISSION ESTABLISHED BY SECTION 27-514.

42 Sec. 13. Legislative intent

43 The legislature intends that any fees adopted pursuant to this act
44 be similar to fees adopted by similarly situated states.

1 Sec. 14. Succession

2 A. All equipment, records, furnishings and other property, all data
3 and investigative findings, all obligations and all appropriated monies
4 allocated to the department of environmental quality to serve the oil and
5 gas conservation commission are allocated to the oil and gas conservation
6 commission.

7 B. All personnel who are under the state personnel system and
8 employed by the department of environmental quality to assist the oil and
9 gas conservation commission are transferred to the oil and gas
10 conservation commission.