

REFERENCE TITLE: oil and gas commission; fees

State of Arizona
House of Representatives
Fifty-seventh Legislature
Second Regular Session
2026

HB 2748

Introduced by
Representative Rivero

AN ACT

AMENDING SECTIONS 27-513, 27-517, 27-522, 27-653 AND 27-659, ARIZONA
REVISED STATUTES; RELATING TO THE OIL AND GAS CONSERVATION COMMISSION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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

Section 1. 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~~ for each well AS DETERMINED BY THE COMMISSIONER IN RULE. ~~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. 2. Section 27-517, Arizona Revised Statutes, is amended to read:

27-517. Hearings; reporter; fees; rules

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

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

C. As soon as possible following the hearing, the commission shall bill the person requesting the hearing for the total cost of publication for the notices of such hearing and the total cost of the court reporter's fees less the original ~~fifty-dollar~~ fee AS DETERMINED BY THE COMMISSIONER. The requesting party shall within ten days after receipt of the billing by the commission reimburse the commission the amount of ~~money~~ ~~so~~ MONIES billed or be subject to the penalties as prescribed in ~~subsection A of~~ section 27-527, SUBSECTION A. The ~~money so~~ MONIES collected by the commission ~~shall not be~~ IS NOT subject to section 27-523

1 but shall be deposited, pursuant to sections 35-146 and 35-147, by the
2 commission in the fund from which the expenditure was originally made.

3 Sec. 3. Section 27-522, Arizona Revised Statutes, is amended to
4 read:

5 27-522. Records

6 A. All rules and orders made by the commission shall be in writing
7 and entered in full in a book kept by the commission. The book shall be a
8 public record open to inspection at all reasonable times during office
9 hours. A copy of any rule, order or other document on file in the office
10 of the commission and certified by the commission shall be received in
11 evidence in all courts of ~~the~~ THIS state with the same effect as the
12 original.

13 B. Well logs, casing records, compiled data and other information
14 shall be properly indexed and suitably recorded in the permanent records
15 of the commission and shall be open to inspection by the public at all
16 reasonable times during office hours. The well records of a well drilled
17 ~~in unproven territory shall~~ OUTSIDE OF AN ESTABLISHED POOL MAY not be
18 subject to inspection for a period of one year after drilling is
19 completed, AT THE DISCRETION OF THE COMMISSION. ~~The commission shall~~
20 ~~provide sixty days' notice to the operator before records become subject~~
21 ~~to inspection.~~ At the operator's request, the commission ~~shall~~ MAY extend
22 the confidential period ~~for not more than two years from the date of the~~
23 ~~request~~ if the operator can provide credible evidence that disclosure of
24 the information is likely to cause harm to the operator's competitive
25 position. The director of THE DEPARTMENT OF water resources may inspect
26 any well records at any time but shall keep confidential all information
27 that is not subject to inspection as otherwise provided in this section.

28 Sec. 4. Section 27-653, Arizona Revised Statutes, is amended to
29 read:

30 27-653. Information; filing; confidentiality

31 The commission shall collect all information regarding all wells
32 drilled in ~~the~~ THIS state for geothermal resources and necessary for the
33 purpose of supervision of such wells. All such data shall be filed in the
34 commission office and, ~~upon request of the operator, shall be kept~~ IF THE
35 WELL IS DRILLED OUTSIDE OF A PROVEN GEOTHERMAL AREA, THE COMMISSION MAY
36 KEEP THE DATA confidential for a period of ~~not more than~~ one year after
37 drilling is completed. ON REQUEST OF AN OPERATOR, THE COMMISSION MAY
38 EXTEND THE CONFIDENTIAL PERIOD IF THE OPERATOR PROVIDES CREDIBLE EVIDENCE
39 THAT DISCLOSURE OF THE INFORMATION IS LIKELY TO CAUSE HARM TO THE
40 OPERATOR'S COMPETITIVE POSITION. All such data shall also be available to
41 the director of THE DEPARTMENT OF water resources, who shall keep the
42 information obtained confidential when such a request has been made of the
43 commission by the operator.

1 Sec. 5. Section 27-659, Arizona Revised Statutes, is amended to
2 read:

3 27-659. Application to drill

4 The owner or operator of any property, before commencing the
5 drilling of a well or entering or deepening an abandoned well, shall file
6 with the commission an application to drill, on a form prescribed by the
7 commission, containing such information as may be required by the
8 commission. Such application shall be accompanied by a fee ~~of twenty-five~~
9 ~~dollars~~ per well AS DETERMINED BY THE COMMISSIONER IN RULE. All monies so
10 received by the commission shall be deposited, pursuant to sections 35-146
11 and 35-147, in the state general fund.