# **IDAHO OIL & GAS LEGISLATIVE HISTORY**

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### 2011

- In April 2011, the Idaho Oil & Gas Conservation Commission (IOGCC) approved a **temporary** rule for well treatments, including hydraulic fracturing.\*
- In order to update IDAPA 20.07.02 (Rules Governing Conservation of Oil and Natural Gas in the State of Idaho), the Idaho Dept. of Lands (IDL) initiated 'negotiated rule-making' through a series of meetings beginning in July 2011.
- In December 2011, the IOGCC adopted the final draft of the rules as a 'pending' rule ('pending' legislative approval) and a temporary rule.

## 2012

- HO 463: "...Relating to the confidentiality of certain exploratory and wildcat wells;..."
  [Declared an 'emergency']
- **HO 526:** "...To provide that certain civil penalties shall begin to accrue **no earlier than the** date notice of violation and opportunity for a hearing are given..."
- ➤ HO 460: "...Amends existing law relating to oil and gas wells to require certain notice and permit relating to treating wells for oil and gas and to revise fee provisions relating to permits for drilling and treating wells for oil and gas..." [Declared an 'emergency']
- HO 462: "...Amends existing law relating to public utility regulation to revise the definition of "pipeline" and to define "gathering lines"..." [Declared an 'emergency']
- HO 379: SEVERANCE TAX: Enacted a 2.5% severance tax on oil and gas production one of the lowest in the country. By comparison, the severance tax rates in other states where Alta Mesa currently operates: Oklahoma (7.0%), Texas (7.5%) and Louisiana (12.5%). But Idaho legislators were told that 2.5% was a very fair tax rate that would be of benefit to the State. [Declared an emergency].
- HO 464: LIMITS LOCAL CONTROL OVER OIL AND GAS: "...to provide legislative intent to occupy the field of the regulation of oil and gas exploration and production, to provide an exception and to provide provisions <u>limiting</u> [our emphasis] local restrictions relating to oil and gas; to revise provisions relating to the authority of the Oil and Gas Conservation Commission;..."
  [Declared an 'emergency']

#### 2013

- HO 48: Class II injection wells (to dispose of waste; related to man-made earthquakes)
- **HO 49: Class II injection wells** (more on these)

<sup>\*</sup>ID Administrative Bulletin 30 06-01-2011 available at http://adminrules.idaho.gov/bulletin/2011/06.pdf

- **HO 141:** "...Provide that wells drilled for the production of oil, gas or hydrocarbon condensate are **exempt from property taxation.**" [Declared an 'emergency']
- ➤ **S 1049**: "Amends existing law relating to the Oil and Gas Conservation Commission to **remove** reference to the State Board of Land Commissioners comprising the commission, to provide for commission membership [no longer elected appointed by Governor], terms of office, officers, meetings, compensation and personnel..."

## 2014

- HO 471: "...Amending Section 61-114,Idaho Code, to clarify the definition of oil and gas gathering lines [different from 'pipeoines']; Amending Section 61-129, Idaho Code, to clarify that pipeline corporations must make application to the Public Utilities Commission to be regulated generally as a public utility..." [Declared an 'emergency']
- ➤ HO 373: OIL AND GAS CONSERVATION COMMISSION Amends existing law to provide that the Oil and Gas Conservation Commission of the State of Idaho resides within the Idaho Department of Lands.
- S 1213: PROPERTY TAX Amends existing law to add wells drilled for the production of oil, gas or hydrocarbon condensate to those exemptions for which annual application and approval by the board of county commissioners apply. [Declared an 'emergency' and provided retroactive application]

### 2015

- ➤ HO 125: Amends existing law to revise the definition of "gas." The far more valuable gas condensate WET gas may now be called 'DRY' gas.
- **HO 269:** Amends existing law to revise how the **tax** on the production of oil and gas is administered and collected and to define "gross income."
- **HO 49:** Amends existing law to provide for **fees**, to revise fee provisions, to provide for the deposit of fees in the Oil and Gas Conservation Fund, and to provide for the use of fees.
- ➤ HO 123: Amends existing law to provide that the Commission's actions in exercising its duties and authorities shall not be considered contested cases [allowing less stringent administration rules in conducting the hearings] and to provide an exception.
- HO 48: Amends existing law to provide for the confidentiality of certain records of oil and gas producers for a designated period of time.
- ➤ HO 124: Amends existing law to provide exceptions relating to the size and shape of spacing units, to provide for the exclusion of certain federal minerals, and to provide for the consent of operators and mineral interest owners relating to the granting of exceptions associated with well drilling locations.
- HO 050: FORCED POOLING: Amends existing law to provide for unit operations. Force pools, or "integrates" 45% of mineral rights owners if *only* 55% agree to lease.