IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 48

BY RESOURCES AND CONSERVATION COMMITTEE

AN ACT
RELATING TO INJECTION WELLS; AMENDING SECTION 42-3908, IDAHO CODE, TO
PROVIDE THAT THE DIRECTOR OF THE DEPARTMENT OF WATER RESOURCES SHALL
REQUIRE GOOD AND SUFFICIENT SECURITY AS A CONDITION OF EVERY CLASS II
INJECTION WELL PERMIT, TO PROVIDE FOR THE FORM OF SECURITY, TO PROVIDE
THE BASIS FOR SECURITY, TO PROVIDE FOR THE AMOUNT OF SECURITY, TO PROVIDE THAT THE SECURITY SHALL BE CONDITIONED UPON CERTAIN PERFORMANCE,
TO PROVIDE FOR THE DURATION OF THE SECURITY, TO PROVIDE THAT WELL DECOMMISSIONING SHALL INCLUDE CERTAIN RECLAMATION OF THE WELL SITE AND TO AUTHORIZE ADDITIONAL SECURITY REQUIREMENTS UNDER CERTAIN CIRCUMSTANCES.

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

SECTION 1. That Section 42-3908, Idaho Code, be, and the same is hereby amended to read as follows:

42-3908. PERMIT APPROVING CONSTRUCTION AND USE -- CONDITIONS -- REJECTION OF APPLICATION. If the director of the department of water resources determines the use of the proposed or existing injection well will not affect the rights of others to use water for beneficial purposes shall issue a permit approving the construction, modification or continued operation of such well. Such permit shall contain conditions, if any, determined to be necessary to protect the public interest in the ground water resource including, but not limited to, the method and manner of operation of the injection well, the period during which the injection well may be operated, a date when such permit shall expire, and periodic reports to the department of water resources of the quality and quantity of the fluids injected. No deep injection well or shallow injection well, as may be required by rules and regulations adopted under this chapter, shall be used unless a valid permit is in effect in accordance with this chapter.

The director shall require, as a condition of every class II injection well permit, that every person who engages in the construction, modification or operation of a well provides evidence of good and sufficient security in the form of a bond, letter of credit or other surety acceptable to the director that ensures that the applicant performs the duties required pursuant to this chapter and properly decommission any well covered by such permit. Good and sufficient security for each injection well shall be in the amount of ten thousand dollars (\$10,000) plus one dollar (\$1.00) per foot of depth. The security shall be conditioned upon the performance of the owner's or operator's duty to comply with the rules of the water resource board with respect to the construction, modification, operation, plugging and decommissioning of each well. The security shall remain in full force and effect until the plugging and decommissioning of the well is approved by the director or the security is released by the director. Well decommissioning shall include reclamation of the well site so that the site is left in a stable, noneroding

condition with no impact to any ground water or surface water sources of the state. The director may require additional security of an owner or operator given sufficient reason, such as noncompliance, unusual conditions or other circumstances that suggest a particular well has potential risk or liability in excess of that normally expected.

 If the director of the department of water resources determines the use of the proposed or existing injection well will interfere or is interfering with the right of the public to withdraw water for beneficial uses, and the director finds there are no overriding needs existing to justify the use of the injection well, the director may reject the application and forward notice of such rejection to the owner or operator by certified mail.