H-1804.1			

HOUSE BILL 2129

State of Washington 60th Legislature 2007 Regular Session

By Representatives VanDeWege, Hudgins, Morris, Eddy, Crouse, Hankins, McCoy, Takko, Hurst, McCune and Chase

Read first time 02/09/2007. Referred to Committee on Technology, Energy & Communications.

- 1 AN ACT Relating to geothermal resources; and amending RCW 78.60.070, 78.60.100, 78.60.130, 78.60.200, 78.60.210, and 78.60.230.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- 4 **Sec. 1.** RCW 78.60.070 and 1974 ex.s. c 43 s 7 are each amended to read as follows:
 - (1) Any person proposing to drill a well or redrill an abandoned well for geothermal resources shall file with the department a written application for a permit to commence such drilling or redrilling on a form prescribed by the department accompanied by a permit fee of ((two hundred)) one thousand dollars. The department shall forward a duplicate copy to the department of ecology within ten days of filing.
 - (2) Upon receipt of a proper application relating to drilling or redrilling the department shall set a date, time, and place for a public hearing on the application, which hearing shall be in the county in which the drilling or redrilling is proposed to be made, and shall instruct the applicant to publish notices of such application and hearing by such means and within such time as the department shall prescribe. The department shall require that the notice so prescribed shall be published twice in a newspaper of general circulation within

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the county in which the drilling or redrilling is proposed to be made and in such other appropriate information media as the department may direct.

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- (3) Any person proposing to drill a core hole for the purpose of gathering geothermal data, including but not restricted to heat flow, temperature gradients, and rock conductivity, shall be required to obtain a single permit for each ((geothermal area)) core hole according to subsection (1) of this section, ((except that no)) a permit fee of one hundred dollars for each core hole shall be required, no notice need be published, and no hearing need be held. Such core holes that penetrate more than seven hundred and fifty feet into bedrock shall be deemed geothermal test wells and subject to the payment of a permit fee and to the requirement in subsection (2) of this section for public notices and hearing. In the event geothermal energy is discovered in a core hole, the hole shall be deemed a geothermal well and subject to the permit fee, notices, and hearing. Such core holes as described by this subsection are subject to all other provisions of this chapter, including a bond or other security as specified in RCW ((79.76.130))78.60.130.
- 20 (4) All moneys paid to the department under this section shall be 21 deposited with the state treasurer for credit to the general fund.
- 22 **Sec. 2.** RCW 78.60.100 and 1974 ex.s. c 43 s 10 are each amended to 23 read as follows:
 - Any well <u>or core hole</u> drilled under authority of this chapter from which:
 - (1) It is not technologically practical to derive the energy to produce electricity commercially, or the owner or operator has no intention of deriving energy to produce electricity commercially, and
 - (2) Usable minerals cannot be derived, or the owner or operator has no intention of deriving usable minerals, shall be plugged and abandoned as provided in this chapter or, upon the owner's or operator's written application to the department of natural resources and with the concurrence and approval of the department of ecology, jurisdiction over the well may be transferred to the department of ecology and, in such case, the well shall no longer be subject to the provisions of this chapter but shall be subject to any applicable laws and ((regulations)) rules relating to wells drilled for appropriation

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and use of ground waters. If an application is made to transfer jurisdiction, a copy of all logs, records, histories, and descriptions shall be provided to the department of ecology by the applicant.

Sec. 3. RCW 78.60.130 and 1974 ex.s. c 43 s 13 are each amended to read as follows:

Every operator who engages in the drilling, redrilling, or deepening of any well or core hole shall file with the department a reasonable bond or bonds with good and sufficient surety, or the equivalent thereof, acceptable to the department, conditioned on compliance with the provisions of this chapter and all rules and ((regulations and)) permit conditions adopted pursuant to this chapter. This performance bond shall be executed in favor of and approved by the department.

In lieu of a bond the operator may file with the department a cash deposit, negotiable securities acceptable to the department, or an assignment of a savings account in a Washington bank on an assignment form prescribed by the department. The department, in its discretion, may accept a single surety or security arrangement covering more than one well or core hole.

- **Sec. 4.** RCW 78.60.200 and 1974 ex.s. c 43 s 20 are each amended to 21 read as follows:
 - (1) The owner or operator of any well <u>or core hole</u> shall keep or cause to be kept careful and accurate logs, <u>including but not restricted to heat flow</u>, temperature gradients, and rock conductivity <u>logs</u>, records, descriptions, and histories of the drilling, redrilling, or deepening of the well.
 - (2) All logs, <u>including but not restricted to heat flow</u>, temperature gradients, and rock conductivity logs, records, histories, and descriptions referred to in subsection (1) of this section shall be kept in the local office of the owner or operator, and together with other reports of the owner or operator shall be subject during business hours to inspection by the department. Each owner or operator, upon written request from the department, shall file with the department ((a)) one paper and one electronic copy of the logs, <u>including but not restricted</u> to heat flow, temperature gradients, and rock conductivity

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- 1 logs, records, histories, descriptions, or other records or portions
- 2 thereof pertaining to the geothermal drilling or operation underway or
- 3 suspended.

Sec. 5. RCW 78.60.210 and 1974 ex.s. c 43 s 21 are each amended to read as follows:

Upon completion or plugging and abandonment of any well or core hole or upon the suspension of operations conducted with respect to any well or core hole for a period of at least six months, one paper and one electronic copy of ((the)) logs, including but not restricted to heat flow, temperature gradients, and rock conductivity logs, core ((record)), electric log, history, and all other logs and surveys that may have been run on the well, shall be filed with the department within thirty days after such completion, plugging and abandonment, or six months' suspension.

- **Sec. 6.** RCW 78.60.230 and 1974 ex.s. c 43 s 23 are each amended to read as follows:
 - (1) The records of any owner or operator, when filed with the department as provided in this chapter, shall be confidential and shall be open to inspection only to personnel of the department for the purpose of carrying out the provisions of this chapter and to those authorized in writing by such owner or operator, until the expiration of a twenty-four month confidential period to begin at the date of commencement of production or of abandonment of the well or core hole. After expiration of the twenty-four month confidential period, the department shall ensure all logs and surveys that may have been run on the well or core hole are preserved in an electronic data system and made available to the public.
 - (2) Such records shall in no case, except as provided in this chapter, be available as evidence in court proceedings. No officer, employee, or member of the department shall be allowed to give testimony as to the contents of such records, except as provided in this chapter for the review of a decision of the department or in any proceeding initiated for the enforcement of an order of the department, for the enforcement of a lien created by the enforcement of this

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- 1 chapter, or for use as evidence in criminal proceedings arising out of
- 2 such records or the statements upon which they are based.

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