

Title 344 WAC

OIL AND GAS CONSERVATION

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WAC 344-08-010 Appearance and practice before agency—Who may appear. No person may appear in a representative capacity before the oil and gas conservation committee or its designated hearing officer other than the following:

(1) Attorneys at law duly qualified and entitled to practice before the supreme court of the state of Washington.

(2) Attorneys at law duly qualified and entitled to practice before the highest court of record of any other state, if the attorneys at law of the state of Washington are permitted to appear in a representative capacity before administrative agencies of such other state, and if not otherwise prohibited by our state law.

(3) A bona fide officer, partner, or full time employee of an individual firm, association, partnership, or corporation who appears for such individual firm, association,

partnership, or corporation. [Regulation .08.010, filed 12/10/62.]

WAC 344-08-020 Appearance and practice before agency—Appearance in certain proceedings may be limited to attorneys. In all hearings involving the taking of testimony and the formulation of a record subject to review by the courts, where the oil and gas conservation committee or its designated hearing officer determines that representative activity in such hearing requires a high degree of legal training, experience, and skill, the oil and gas conservation committee or its designated hearing officer may limit those who may appear in a representative capacity to attorneys at law. [Regulation .08.020, filed 12/10/62.]

WAC 344-08-040 Standards of ethical conduct. All persons appearing in proceedings before the oil and gas conservation committee in a representative capacity shall conform to the standards of ethical conduct required of attorneys before the courts of Washington. If any such person does not conform to such standards, the oil and gas conservation committee may decline to permit such person to appear in a representative capacity in any proceeding before the department. [Regulation .08.040, filed 12/10/62.]

WAC 344-08-050 Standards of ethical conduct—Appearance by former employee of committee or former member of attorney general's staff. No former employee of the oil and gas conservation committee or member of the attorney general's staff may at any time after severing his employment with the committee or the attorney general appear, except with the written permission of the department, in a representative capacity on behalf of other parties in a formal proceeding wherein he previously took an active part as a representative of the committee. [Regulation .08.050, filed 12/10/62.]

WAC 344-08-060 Standards of ethical conduct—Former employee as expert witness. No former employee of the oil and gas conservation committee shall at any time after severing his employment with the committee appear, except with the written permission of the committee, as an expert witness on behalf of other parties in a formal proceeding wherein he previously took an active part in the investigation as a representative of the committee. [Regulation .08.060, filed 12/10/62.]

WAC 344-08-070 Computation of time. In computing any period of time prescribed or allowed by the oil and gas conservation committee rules, by order of the committee or by any applicable statute, the day of the act, event, or default after which the designated period of time begins to run is not to be included. The last day of the period so computed is to be included, unless it is a Saturday, Sunday or a legal holiday, in which event the period runs until the end of the next day which is neither a Saturday, Sunday nor a holiday. When the period of

time prescribed or allowed is less than seven days, intermediate Saturdays, Sundays and holidays shall be excluded in the computation. [Regulation .08.070, filed 12/10/62.]

WAC 344-08-080 Notice and opportunity for hearing in contested cases. In any contested case, all parties shall be served with a notice at least ten days before the date set for the hearing. The notice shall state the time, place, and issues involved, as required by WAC 34.04.090(1). [Regulation .08.080, filed 12/10/62.]

WAC 344-08-090 Service of process—By whom served. The oil and gas conservation committee shall cause to be served all orders, notices, and other papers issued by it, together with any other papers which it is required by law to serve. Every other paper shall be served by the party filing it. [Regulation .08.090, filed 12/10/62.]

WAC 344-08-100 Service of process—Upon whom served. All papers served by either the oil and gas conservation committee or any party shall be served upon all counsel of record at the time of such filing and upon parties not represented by counsel or upon their agents designated by them or by law. Any counsel entering an appearance subsequent to the initiation of the proceeding shall notify all other counsel then of record and all parties not represented by counsel of such fact. [Regulation .08.100, filed 12/10/62.]

WAC 344-08-110 Service of process—Service upon parties. The final order, and any other paper required to be served by the agency upon a party, shall be served upon such party or upon the agent designated by him or by law to receive service of such papers, and a copy shall be furnished to counsel of record. [Regulation .08.110, filed 12/10/62.]

WAC 344-08-120 Service of process—Method of service. Service of papers shall be made personally or, unless otherwise provided by law, by first class, registered, or certified mail, or by telegraph. [Regulation .08.120, filed 12/10/62.]

WAC 344-08-130 Service of process—When service complete. Service upon parties shall be regarded as complete: by mail, upon deposit in the United States mail properly stamped and addressed; by telegraph, when deposited with a telegraph company properly addressed and with charges prepaid. [Regulation .08.130, filed 12/10/62.]

WAC 344-08-140 Service of process—Filing with agency. Papers required to be filed with the oil and gas conservation committee shall be deemed filed upon actual receipt by the committee accompanied by proof of service upon parties required to be served. [Regulation .08.140, filed 12/10/62.]

WAC 344-08-150 Subpoenas—Where provided by law—Form. Every subpoena shall be issued in the name of the oil and gas conservation committee and

shall set forth the title of the proceeding, if any, and shall command the person to whom it is directed to attend and give testimony or produce designated books, documents or things under his control at a specified time and place. [Regulation .08.150, filed 12/10/62.]

WAC 344-08-160 Subpoenas—Where provided by law—Issuance to parties. Upon application of counsel for any party to a contested case, there shall be issued to such party subpoenas requiring the attendance and testimony of witnesses or the production of evidence in such proceeding. The oil and gas conservation committee may issue subpoenas to parties not so represented upon request or upon a showing of general relevance and reasonable scope of the testimony or evidence sought. No subpoena shall be issued except where authorized by statute. [Regulation .08.160, filed 12/10/62.]

WAC 344-08-170 Subpoenas—Where provided by law—Service. Unless the service of a subpoena is acknowledged on its face by the person subpoenaed, service shall be made by delivering a copy of the subpoena to such person and by tendering him on demand the fees for one day's attendance and the mileage, as provided by WAC 344-08-180. [Regulation .08.170, filed 12/10/62.]

WAC 344-08-180 Subpoenas—Where provided by law—Fees. Witnesses summoned before the oil and gas conservation committee shall be paid by the party at whose instance they appear the same fees and mileage that are paid to witnesses in the superior courts of the state of Washington under like circumstances. In all other cases, witnesses summoned before the committee shall be paid by the party at whose instance they appear the same fees and mileage that are payable by law as subsistence allowance and mileage to officials and employees of the committee. [Regulation .08.180, filed 12/10/62.]

WAC 344-08-190 Subpoenas—Where provided by law—Proof of service. The person serving the subpoena shall make proof of service by filing the subpoena and the required return, affidavit, or acknowledgment of service with the oil and gas conservation committee or the officer before whom the witness is required to testify or produce evidence. If service is made by a person other than an officer of the committee, and such service has not been acknowledged by the witness, such person shall make an affidavit of service. Failure to make proof of service does not affect the validity of the service. [Regulation .08.190, filed 12/10/62.]

WAC 344-08-200 Subpoenas—Where provided by law—Quashing. Upon motion made promptly, and in any event at or before the time specified in the subpoena for compliance, by the person to whom the subpoena is directed (and upon notice to the party to whom the subpoena was issued) the oil and gas conservation committee or its authorized members or officer may (1) quash or modify the subpoena if it is unreasonable or requires evidence not relevant to any matter in issue, or

(2) condition denial of the motion just and reasonable conditions. [Regulation .08.200, filed 12/10/62.]

WAC 344-08-210 Subpoenas—Where provided by law—Enforcement. Upon application for good cause shown, the oil and gas conservation committee will seek judicial enforcement of subpoenas issued to parties and which have not been quashed. [Regulation .08.210, filed 12/10/62.]

WAC 344-08-220 Subpoenas—Where provided by law—Geographical scope. Such attendance of witnesses and such production of evidence may be required from any place in the state of Washington, at any designated place of hearing. [Regulation .08.220, filed 12/10/62.]

WAC 344-08-230 Depositions and interrogatories in contested cases—Right to take. Except as may be otherwise provided, any party may take the testimony of any person, including a party, by deposition upon oral examination or written interrogatories for use as evidence in the proceeding, except that leave must be obtained if notice of the taking is served by a proponent within ten days after service of original process. The attendance of witnesses may be compelled by the use of a subpoena. Depositions shall be taken only in accordance with this rule and the rule on subpoenas. [Regulation .08.230, filed 12/10/62.]

WAC 344-08-240 Depositions and interrogatories in contested cases—Scope. Unless otherwise ordered, the deponent may be examined regarding any matter not privileged, which is relevant to the subject matter involved in the proceeding. [Regulation .08.240, filed 12/10/62.]

WAC 344-08-250 Depositions and interrogatories in contested cases—Officer before whom taken. Within the United States or within a territory or insular possession subject to the domination of the United States depositions shall be taken before an officer authorized to administer oaths by the laws of the state of Washington or of the place where the examination is held; within a foreign country, depositions shall be taken before a secretary of an embassy or legation, consul general, vice consul or consular agent of the United States, or a person designated by the oil and gas conservation committee or agreed upon by the parties by stipulation in writing filed with the committee. Except by stipulation, no deposition shall be taken before a person who is a party or the privy of a party, or a privy of any counsel of a party, or who is financially interested in the proceeding. [Regulation .08.250, filed 12/10/62.]

WAC 344-08-260 Depositions and interrogatories in contested cases—Authorization. A party desiring to take the deposition of any person upon oral examination shall give reasonable notice of not less than three days in writing to the oil and gas conservation committee and all parties. The notice shall state the time and place for taking the deposition, the name and address of each

person to be examined, if known, and if the name is not known, a general description sufficient to identify him or the particular class or group to which he belongs. On motion of a party upon whom the notice is served, the hearing officer may for cause shown, enlarge or shorten the time. If the parties so stipulate in writing, depositions may be taken before any person, at any time or place, upon any notice, and in any manner and when so taken may be used as other depositions. [Regulation .08.260, filed 12/10/62.]

WAC 344-08-270 Depositions and interrogatories in contested cases—Protection of parties and deponents. After notice is served for taking a deposition, upon its own motion or upon motion reasonably made by any party or by the person to be examined and upon notice and for good cause shown, the oil and gas conservation committee or its designated hearing officer may make an order that the deposition shall not be taken, or that it may be taken only at some designated place other than that stated in the notice, or that it may be taken only on written interrogatories, or that certain matters shall not be inquired into, or that the scope of the examination shall be limited to certain matters, or that the examination shall be held with no one present except the parties to the action and their officers or counsel or that after being sealed, the deposition shall be opened only by order of the committee, or that business secrets or secret processes, developments, or research need not be disclosed, or that the parties shall simultaneously file specified documents or information enclosed in sealed envelopes to be opened as directed by the committee; or the committee may make any other order which justice requires to protect the party or witness from annoyance, embarrassment, or oppression. At any time during the taking of the deposition, on motion of any party or of the deponent and upon a showing that the examination is being conducted in bad faith or in such manner as unreasonably to annoy, embarrass, or oppress the deponent or party, the committee or its designated hearing officer may order the officer conducting the examination to cease forthwith from taking the deposition, or may limit the scope and manner of the taking of the deposition as above provided. If the order made terminates the examination, it shall be resumed thereafter only upon the order of the committee. Upon demand of the objecting party or deponent, the taking of the deposition shall be suspended for the time necessary to make a motion for an order. [Regulation .08.270, filed 12/10/62.]

WAC 344-08-280 Depositions and interrogatories in contested cases—Oral examination and cross-examination. Examination and cross-examination shall proceed as at an oral hearing. In lieu of participating in the oral examination, any party served with notice of taking a deposition may transmit written cross interrogatories to the officer who, without first disclosing them to any person, and after the direct testimony is complete, shall propound them seriatim to the deponent and record or cause the answers to be recorded verbatim. [Regulation .08.280, filed 12/10/62.]

WAC 344-08-290 Depositions and interrogatories in contested cases—Recordation. The officer before whom the deposition is to be taken shall put the witness on oath and shall personally or by someone acting under his direction and in his presence, record the testimony by typewriter directly or by transcription from stenographic notes, wire, record, or tape recorders, which record shall separately and consecutively number each interrogatory. Objections to the notice, qualifications of the officer taking the deposition, or to the manner of taking it, or to the evidence presented or to the conduct of the officer, or of any party, shall be noted by the officer upon the deposition. All objections by any party not so made are waived. [Regulation .08.290, filed 12/10/62.]

WAC 344-08-300 Depositions and interrogatories in contested cases—Signing attestation and return. When the testimony is fully transcribed the deposition shall be submitted to the witness for examination and shall be read to or by him, unless such examination and reading are waived by the witness and by the parties. Any changes in form or substance which the witness desires to make shall be entered upon the deposition by the officer with a statement of the reasons given by the witness for making them. The deposition shall then be signed by the witness, unless the parties by stipulation waive the signing or the witness is ill or cannot be found or refuses to sign. If the deposition is not signed by the witness, the officer shall sign it and state on the record the fact of the waiver or of the illness or absence of the witness or the fact of the refusal to sign together with the reason, if any, given therefor; and the deposition may then be used as fully as though signed, unless on a motion to suppress the committee holds that the reasons given for the refusal to sign require rejection of the deposition in whole or in part.

The officer shall certify on the deposition that the witness was duly sworn by him and that the deposition is a true record of the testimony given by the witness. He shall then securely seal the deposition in an envelope indorsed with the title of proceeding and marked "Deposition of (here insert name of witness)" and shall promptly send it by registered or certified mail to the committee or its designated hearing officer, for filing. The party taking the deposition shall give prompt notice of its filing to all other parties. Upon payment of reasonable charges therefor, the officer shall furnish a copy of the deposition to any party or to the deponent. [Regulation .08.300, filed 12/10/62.]

WAC 344-08-310 Depositions and interrogatories in contested cases—Use and effect. Subject to rulings by the hearing officer upon objections a deposition taken and filed as provided in this rule will not become a part of the record in the proceeding until received in evidence by the hearing officer upon his own motion or the motion of any party. Except by agreement of the parties or ruling of the hearing officer, a deposition will be received only in its entirety. A party does not make a party, or the privy of a party, or any hostile witness his witness by taking his deposition. Any party may rebut any relevant evidence contained in a deposition whether

introduced by him or any other party. [Regulation .08.310, filed 12/10/62.]

WAC 344-08-320 Depositions and interrogatories in contested cases—Fees of officers and deponents. Deponents whose depositions are taken and the officers taking the same shall be entitled to the same fees as are paid for like services in the superior courts of the state of Washington, which fees shall be paid by the party at whose instance the depositions are taken. [Regulation .08.320, filed 12/10/62.]

WAC 344-08-330 Depositions upon interrogatories—Submission of interrogatories. Where the deposition is taken upon written interrogatories, the party offering the testimony shall separately and consecutively number each interrogatory and file and serve them with a notice stating the name and address of the person who is to answer them and the name or descriptive title and address of the officer before whom they are to be taken. Within 10 days thereafter a party so served may serve cross-interrogatories upon the party proposing to take the deposition. Within five days thereafter, the latter may serve redirect interrogatories upon the party who served cross-interrogatories. [Regulation .08.330, filed 12/10/62.]

WAC 344-08-340 Depositions upon interrogatories—Interrogation. Where the interrogatories are forwarded to an officer authorized to administer oaths as provided in WAC 344-08-250, the officer taking the same after duly swearing the deponent, shall read to him seriatim, one interrogatory at a time and cause the same and the answer thereto to be recorded before the succeeding interrogatory is asked. No one except the deponent, the officer, and the court reporter or stenographer recording and transcribing it shall be present during the interrogation. [Regulation .08.340, filed 12/10/62.]

WAC 344-08-350 Depositions upon interrogatories—Attestation and return. The officer before whom interrogatories are verified or answered shall (1) certify under his official signature and seal that the deponent was duly sworn by him, that the interrogatories and answers are a true record of the deponent's testimony, that no one except deponent, the officer, and the stenographer were present during the taking, and that neither he nor the stenographer, to his knowledge, is a party, privy to a party, or interested in the event of the proceedings, and (2) promptly send by registered or certified mail the original copy of the deposition and exhibits with his attestation to the committee, or its designated hearing officer, one copy to the counsel who submitted the interrogatories, and another copy to the deponent. [Regulation .08.350, filed 12/10/62.]

WAC 344-08-360 Depositions upon interrogatories—Provisions of deposition rule. In all other respects, depositions upon interrogatories shall be governed by the previous deposition rule. [Regulation .08.360, filed 12/10/62.]

WAC 344-08-370 Official notice—Matters of law. The oil and gas conservation committee or its hearing officer, upon request made before or during a hearing, will officially notice:

(1) **Federal law.** The Constitution; congressional acts, resolutions, records, journals and committee reports; decisions of federal courts and administrative agencies; executive orders and proclamations; and all rules, orders, and notices published in the Federal Register;

(2) **State law.** The Constitution of the state of Washington, acts of the legislature, resolutions, records, journals, and committee reports; decisions and administrative agencies of the state of Washington, executive orders and proclamations by the governor; and all rules, orders, and notices filed with the code reviser.

(3) **Governmental organization.** Organization, territorial limitations, officers, departments, and general administration of the government of the state of Washington, the United States, the several states, and foreign nations;

(4) **Agency organization.** The oil and gas conservation committee's organization, administration, officers, personnel, official publications, and practitioners before its bar. [Regulation .08.370, filed 12/10/62.]

WAC 344-08-380 Official notice—Material facts. In the absence of controverting evidence, the oil and gas conservation committee and its hearing officers, upon request made before or during a hearing, may officially notice:

(1) **Agency proceedings.** The pendency of, the issues and position of the parties therein, and the disposition of any proceeding then pending before or theretofore concluded by the department;

(2) **Business customs.** General customs and practices followed in the transaction of business;

(3) **Notorious facts.** Facts so generally and widely known to all well-informed persons as not to be subject to reasonable dispute, or specific facts which are capable of immediate and accurate demonstration by resort to accessible sources of generally accepted authority, including but not exclusively, facts stated in any publication authorized or permitted by law to be made by any federal or state officer, department, or agency;

(4) **Technical knowledge.** Matters within the technical knowledge of the committee as a body of experts, within the scope or pertaining to the subject matter of its statutory duties, responsibilities, or jurisdiction;

(5) **Request or suggestion.** Any party may request, or the hearing officer or the committee may suggest, that official notice be taken of a material fact, which shall be clearly and precisely stated, orally on the record, at any prehearing conference or oral hearing or argument, or may make such request or suggestion by written notice, any pleading, motion, memorandum, or brief served upon all parties, at any time prior to a final decision;

(6) **Statement.** Where an initial or final decision of the committee rests in whole or in part upon official notice of a material fact, such fact shall be clearly and precisely stated in such decision. In determining whether to take official notice of material facts, the hearing officer of the committee may consult any source of pertinent

information, whether or not furnished as it may be, by any party, and whether or not admissible under the rules of evidence;

(7) **Controversion.** Any party may controvert a request or a suggestion that official notice of a material fact be taken at the time the same is made if it be made orally, or by a pleading, reply or brief in response to the pleading or brief or notice in which the same is made or suggested. If any decision is stated to rest in whole or in part upon official notice of a material fact which the parties have not had a prior opportunity to controvert, any party may controvert such fact by appropriate exceptions if such notice be taken in an initial or intermediate decision or by a petition for reconsideration if notice of such fact be taken in a final report. Such controversion shall concisely and clearly set forth the sources, authority, and other data relied upon to show the existence or nonexistence of the material fact assumed or denied in the decision;

(8) **Evaluation of evidence.** Nothing herein shall be construed to preclude the committee or its authorized agents from utilizing their experience, technical competence, and specialized knowledge in the evaluation of the evidence presented to them. [Regulation .08.380, filed 12/10/62.]

WAC 344-08-390 Presumptions. Upon proof of the predicate facts specified in the following six subdivisions hereof without substantial dispute and by direct, clear, and convincing evidence, the oil and gas conservation committee, with or without prior request or notice, may make the following presumptions, where consistent with all surrounding facts and circumstances:

(1) **Continuity.** That a fact of a continuous nature, proved to exist at a particular time, continues to exist as of the date of the presumption, if the fact is one which usually exists for at least that period of time;

(2) **Identity.** That persons and objects of the same name and description are identical;

(3) **Delivery.** Except in a proceeding where the liability of the carrier for nondelivery is involved, that mail matter, communications, express or freight, properly addressed, marked, billed, and delivered respectively to the post office, telegraph, cable, or radio company, or authorized common carrier of property with all postage, tolls, and charges properly prepaid, is or has been delivered to the addressee or consignee in the ordinary course of business;

(4) **Ordinary course.** That a fact exists or does not exist, upon proof of the existence or nonexistence of another fact which in the ordinary and usual course of affairs, usually and regularly coexists with the fact presumed;

(5) **Acceptance of benefit.** That a person for whom an act is done or to whom a transfer is made has, does or will accept same where it is clearly in his own self-interest so to do;

(6) **Interference with remedy.** That evidence, with respect to a material fact which in bad faith is destroyed, elojned, suppressed, or withheld by a party in control thereof, would if produced, corroborate the evidence of

the adversary party with respect to such fact. [Regulation .08.390, filed 12/10/62.]

WAC 344-08-400 Stipulations and admissions of record. The existence or nonexistence of a material fact, as made or agreed in a stipulation or in an admission of record, will be conclusively presumed against any party bound thereby, and no other evidence with respect thereto will be received upon behalf of such party, provided:

(1) **Upon whom binding.** Such a stipulation or admission is binding upon the parties by whom it is made, their privies and upon all other parties to the proceeding who do not expressly and unequivocally deny the existence or nonexistence of the material fact so admitted or stipulated, upon the making thereof, if made on the record at a prehearing conference, oral hearing, oral argument, or by a writing filed and served upon all parties within five days after a copy of such stipulation or admission has been served upon them;

(2) **Withdrawal.** Any party bound by a stipulation or admission of record at any time prior to final decision may be permitted to withdraw the same in whole or in part by showing to the satisfaction of the hearing officer or the oil and gas conservation committee that such stipulation or admission was made inadvertently or under a bona fide mistake of fact contrary to the true fact and that its withdrawal at the time proposed will not unjustly prejudice the rights of other parties to the proceeding. [Regulation .08.400, filed 12/10/62.]

WAC 344-08-410 Form and content of decisions in contested cases. Every decision and order, whether proposed, initial, or final shall:

(1) Be correctly captioned as to name of committee and name of proceeding;

(2) Designate all parties and counsel to the proceeding;

(3) Include a concise statement of the nature and background of the proceeding;

(4) Be accompanied by appropriate numbered findings of fact and conclusions of law;

(5) Whenever practical, the conclusions of law shall include the reason or reasons for the particular order or remedy afforded;

(6) Wherever practical, the conclusions and/or order shall be referenced to specific provisions of the law and/or regulations appropriate thereto, together with reasons and precedents relied upon to support the same. [Regulation .08.410, filed 12/10/62.]

WAC 344-08-420 Definition of issues before hearing. In all proceedings the issues to be adjudicated shall be made initially as precise as possible, in order that hearing officers may proceed promptly to conduct the hearings on relevant and material matter only. [Regulation .08.420, filed 12/10/62.]

WAC 344-08-430 Prehearing conference rule—Authorized. In any proceeding the oil and gas conservation committee or its designated hearing officer upon its or his own motion, or upon the motion of one of the

parties or their qualified representatives, may in its or his discretion direct the parties or their qualified representatives to appear at a specified time and place for a conference to consider

- (1) The simplification of the issues;
- (2) The necessity of amendments to the pleadings;
- (3) The possibility of obtaining stipulations, admissions of facts and of documents;
- (4) The limitation of the number of expert witnesses;
- (5) Such other matters as may aid in the disposition of the proceeding. [Regulation .08.430, filed 12/10/62.]

WAC 344-08-440 Prehearing conference rule—Record of conference action. The oil and gas conservation committee or its designated hearing officer shall make an order or statement which recites the action taken at the conference, the amendments allowed to the pleadings and the agreements made by the parties or their qualified representatives as to any of the matters considered, including the settlement or simplification of issues, and which limits the issues for hearing to those not disposed of by admissions or agreements; and such order or statement shall control the subsequent course of the proceeding unless modified for good cause by subsequent order. [Regulation .08.440, filed 12/10/62.]

WAC 344-08-450 Submission of documentary evidence in advance. Where practicable the oil and gas conservation committee or its designated hearing officer may require:

(1) That all documentary evidence which is to be offered during the taking of evidence be submitted to the hearing examiner and to the other parties to the proceeding sufficiently in advance of such taking of evidence to permit study and preparation of cross-examination and rebuttal evidence;

(2) That documentary evidence not submitted in advance, as may be required by subsection (1), be not received in evidence in the absence of a clear showing that the offering party had good cause for his failure to produce the evidence sooner;

(3) That the authenticity of all documents submitted in advance in a proceeding in which such submission is required, be deemed admitted unless written objection thereto is filed prior to the hearing, except that a party will be permitted to challenge such authenticity at a later time upon a clear showing of good cause for failure to have filed such written objection. [Regulation .08.450, filed 12/10/62.]

WAC 344-08-460 Excerpts from documentary evidence. When portions only of a document are to be relied upon, the offering party shall prepare the pertinent excerpts, adequately identified, and shall supply copies of such excerpts, together with a statement indicating the purpose for which such materials will be offered, to the hearing examiner and to the other parties. Only the excerpts, so prepared and submitted, shall be received in the record. However, the whole of the original document shall be made available for examination and for use by all parties to the proceeding. [Regulation .08.460, filed 12/10/62.]

WAC 344-08-470 Expert or opinion testimony and testimony based on economic and statistical data—Number and qualifications. The hearing examiner or other appropriate officer in all classes of cases where practicable shall make an effort to have the interested parties agree upon the witness or witnesses who are to give expert or opinion testimony, either by selecting one or more to speak for all parties or by limiting the number for each party; and, if the interested parties cannot agree, shall require them to submit to him and to the other parties written statements containing the names, addresses and qualifications of their respective opinion or expert witnesses, by a date determined by him and fixed sufficiently in advance of the hearing to permit the other interested parties to investigate such qualifications. [Regulation .08.470, filed 12/10/62.]

WAC 344-08-480 Expert or opinion testimony and testimony based on economic and statistical data—Written sworn statements. The hearing examiner or other appropriate officer, in all classes of cases in which it is practicable and permissible, shall require, and when not so permissible, shall make every effort to bring about by voluntary submission, that all direct opinion or expert testimony and all direct testimony based on economic or statistical data be reduced to written sworn statements, and, together with the exhibits upon which based, be submitted to him and to the other parties to the proceeding by a date determined by the hearing officer and fixed a reasonable time in advance of the hearing; and that such sworn statements be acceptable as evidence upon formal offer at the hearing, subject to objection on any ground except that such sworn statements shall not be subject to challenge because the testimony is not presented orally. Witnesses making such statements shall not be subject to cross-examination unless a request is made sufficiently in advance of the hearing to insure the presence of the witnesses. [Regulation .08.480, filed 12/10/62.]

WAC 344-08-490 Expert or opinion testimony and testimony based on economic and statistical data—Supporting data. That the hearing examiner or other appropriate officer, in his discretion but consistent with the rights of the parties, cause the parties to make available for inspection in advance of the hearing, and for purposes of cross-examination at the hearing, the data underlying statements and exhibits submitted in accordance with WAC 344-08-480, but, wherever practicable that he restrict to a minimum the placing of such data in the record. [Regulation .08.490, filed 12/10/62.]

WAC 344-08-500 Expert or opinion testimony and testimony based on economic and statistical data—Effect of noncompliance with WAC 344-08-470 or 344-08-480. Whenever the manner of introduction of opinion or expert testimony or testimony based on economic or statistical data is governed by requirements fixed under the provisions of WAC 344-08-470 or 344-08-480, such testimony not submitted in accordance with the relevant requirements shall not be received in evidence in the absence of a clear showing that the offering party

had good cause for his failure to conform to such requirements. [Regulation .08.500, filed 12/10/62.]

WAC 344-08-510 Continuances. Any party who desires a continuance shall, immediately upon receipt of notice of a hearing, or as soon thereafter as facts requiring such continuance come to his knowledge, notify the oil and gas conservation committee or its designated hearing officer of said desire, stating in detail the reasons why such continuance is necessary. The committee or its designated hearing officer, in passing upon a request for continuance, shall consider whether such request was promptly and timely made. For good cause shown, the committee or its designated hearing officer may grant such a continuance and may at any time order a continuance upon its or his own motion. During a hearing, if it appears in the public interest or in the interest of justice that further testimony or argument should be received, the examiner or other officer conducting the hearing may in his discretion continue the hearing and fix the date for introduction of additional evidence or presentation of argument. Such oral notice shall constitute final notice of such continued hearing. [Regulation .08.510, filed 12/10/62.]

WAC 344-08-520 Rules of evidence—Admissibility criteria. Subject to the other provisions of these rules, all relevant evidence is admissible which, in the opinion of the officer conducting the hearing, is the best evidence reasonably obtainable, having due regard for its necessity, availability, and trustworthiness. In passing upon the admissibility of evidence, the officer conducting the hearing shall give consideration to, but shall not be bound to follow, the rules of evidence governing civil proceedings, in matters not involving trial by jury, in the superior court of the state of Washington. [Regulation .08.520, filed 12/10/62.]

WAC 344-08-530 Rules of evidence—Tentative admission—Exclusion—Discontinuance—Objections. When objection is made to the admissibility of evidence, such evidence may be received subject to a later ruling. The officer conducting the hearing may, in his discretion, either with or without objection, exclude inadmissible evidence or order cumulative evidence discontinued. Parties objecting to the introduction of evidence shall state the precise grounds of such objection at the time such evidence is offered. [Regulation .08.530, filed 12/10/62.]

WAC 344-08-540 Petitions for rule making, amendment, or repeal—Who may petition. Any interested person may petition the oil and gas conservation committee requesting the promulgation, amendment, or repeal of any rule. [Regulation .08.540, filed 12/10/62.]

WAC 344-08-550 Petitions for rule making, amendment, or repeal—Requisites. Where the petition requests the promulgation of a rule, the requested or proposed rule must be set out in full. The petition must

also include all the reasons for the requested rule together with briefs of any applicable law. Where the petition requests the amendment or repeal of a rule presently in effect, the rule or portion of the rule in question must be set out as well as a suggested amendment form, if any. The petition must include all reasons for the requested amendment or repeal of the rule. [Regulation .08.550, filed 12/10/62.]

WAC 344-08-560 Petitions for rule making, amendment, or repeal—Agency must consider. All petitions shall be considered by the oil and gas conservation committee and it may, in its discretion, order a hearing for the further consideration and discussion of the requested promulgation, amendment, repeal, or modification of any rule. [Regulation .08.560, filed 12/10/62.]

WAC 344-08-570 Petitions for rule making, amendment, or repeal—Notice of disposition. The oil and gas conservation committee shall notify the petitioning party within a reasonable time for the disposition, if any, of the petition. [Regulation .08.570, filed 12/10/62.]

WAC 344-08-580 Declaratory rulings. As prescribed by RCW 34.04.080, any interested person may petition the oil and gas conservation committee for a declaratory ruling. The committee shall consider the petition and within a reasonable time it shall:

- (1) Issue a nonbinding declaratory ruling; or
- (2) Notify the person that no declaratory ruling is to be issued; or
- (3) Set a reasonable time and place for hearing argument upon the matter, and give reasonable notification to the person of the time and place for such hearing and of the issues involved.

If a hearing as provided in subsection (3) is conducted, the committee shall within a reasonable time:

- (1) Issue a binding declaratory rule; or
- (2) Issue a nonbinding declaratory ruling; or
- (3) Notify the person that no declaratory ruling is to be issued. [Regulation .08.580, filed 12/10/62.]

WAC 344-08-590 Forms. (1) Any interested person petitioning the oil and gas conservation committee for a declaratory ruling pursuant to RCW 34.04.080, shall generally adhere to the following form for such purpose.

At the top of the page shall appear the wording "Before the Oil and Gas Conservation Committee, State of Washington." On the left side of the page below the foregoing the following caption shall be set out: "In the Matter of the Petition of (name of petitioning party) for a Declaratory Ruling." Opposite the foregoing caption shall appear the word "Petition."

The body of the petition shall be set out in numbered paragraphs. The first paragraph shall state the name and address of the petitioning party. The second paragraph shall state all rules or statutes that may be brought into issue by the petition. Succeeding paragraphs shall set out the statement of facts relied upon in

form similar to that applicable to complaints in civil actions before the superior courts of this state. The concluding paragraphs shall contain the prayer of the petitioner. The petition shall be subscribed and verified in the manner prescribed for verification of complaints in the superior courts of this state.

The original and five legible copies shall be filed with the committee. Petitions shall be on white paper, 8 1/2 x 11" in size.

(2) Any interested person petitioning the oil and gas conservation committee requesting the promulgation, amendment, or repeal of any rules shall generally adhere to the following form for such purpose.

At the top of the page shall appear the wording "Before the Oil and Gas Conservation Committee, State of Washington." On the left side of the page below the foregoing the following caption shall be set out: "In the Matter of the Petition of (name of petitioning party) for (state whether promulgation, amendment or repeal) of Rule (or Rules)." Opposite the foregoing caption shall appear the word "Petition."

The body of the petition shall be set out in numbered paragraphs. The first paragraph shall state the name and address of the petitioning party and whether petitioner seeks the promulgation of new rule or rules, or amendment or repeal of existing rule or rules. The second paragraph, in case of a proposed new rule or amendment of an existing rule, shall set forth the desired rule in its entirety. Where the petition is for amendment, the new matter shall be underscored and the matter proposed to be deleted shall appear in double parentheses. Where the petition is for repeal of an existing rule, such shall be stated and rule proposed to be repealed shall either be set forth in full or shall be referred to by committee rule number. The third paragraph shall set forth concisely the reasons for the proposal of the petitioner and shall contain a statement as to the interest of the petitioner in the subject matter of the rule. Additional numbered paragraphs may be used to give full explanation of petitioner's reason for the action sought.

Petitions shall be dated and signed by the person or entity named in the first paragraph or by his attorney. The original and five legible copies of the petition shall be filed with the committee. Petitions shall be on white paper 8 1/2 x 11" in size. [Regulation .08.590, filed 12/10/62.]

**Chapter 344-12 WAC
GENERAL RULES**

WAC

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- 344-12-135 Seismic, core, and other exploratory holes to be plugged.
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WAC 344-12-001 Promulgation. Pursuant of the power and authority delegated to the oil and gas conservation committee by the oil and gas conservation act, chapter 78.52 RCW, after due notice the oil and gas conservation committee, hereinafter designated as the committee, does hereby make, adopt, and promulgate the following general rules and regulations deemed by the committee to be reasonably necessary for the proper administration and enforcement of the act. These rules and regulations shall become effective this 18th day of January, 1954. [Promulgation, filed 3/23/60.]

WAC 344-12-010 General. (1) The following rules and regulations have been adopted by the committee as general rules of state-wide application; these may be added to or changed, as required or deemed necessary by the committee, in accordance with RCW 79.52.050.

(2) Special rules, regulations, and orders will be adopted when required or deemed necessary and shall prevail as against general rules, regulations, and orders if in conflict therewith. [Rule 1, filed 3/23/60.]

WAC 344-12-015 Rule making. (1) Notice of the adoption of new or additional rules and regulations or of the changing or amending of previously adopted rules, regulations, and orders shall be by publication in a newspaper of general circulation in the state and their effective date shall be thirty days after such publication.

(2) In the event an emergency is found to exist by the committee, which in its judgment requires the making, changing, renewal, or extension of a rule, regulation, or order without notice, it may do so, and such emergency rule, regulation, or order shall have the same validity as if due notice had been given. The emergency rule, regulation, or order permitted by this section shall remain in force no longer than thirty days from its effective date, and, in any event, it shall expire when a rule, regulation, or order made after due notice with respect to the subject matter of such emergency rule, regulation, or order becomes effective, or at such later date as may be provided therein. [Rule 2, filed 3/23/60.]

WAC 344-12-020 Hearings. (1) Hearings before the committee shall be open to the public. Hearings may be called by the committee, for the purpose of taking

action in respect to any matter within its jurisdiction, upon its own motion or upon the petition of any interested party.

(2) Petitions for hearings shall be written and verified and may be in the form of a letter, shall be brief and concise, and shall state in general terms the matter upon which action of the committee is desired, the relief sought, and the reasons therefor. [Rule 3, filed 3/23/60.]

WAC 344-12-025 Notice of hearings. (1) Notice of all hearings shall be given by publishing notice thereof not less than ten days before the date of the hearing in a newspaper of general circulation in the state.

(2) The committee shall maintain a general mailing list and shall place thereon the names and addresses of all persons, firms, or corporations who make request in writing to be included on such list. Each person, firm, and corporation on such mailing list shall be mailed at the address listed a copy of all rules, regulations, notices, and orders issued by the committee. The failure to mail a copy of these to any such person, firm or corporation shall not affect the validity of any hearing held pursuant to the notice published in accordance with the preceding paragraph or any rule, regulation, or order issued pursuant to such hearing.

(3) Notices of hearing shall state the time and place of the hearing, whether called by the committee on its own motion or at the request of an interested party, naming the party making the request, and shall state briefly and in general terms the subject matter of the hearing and relief sought. [Rule 4, filed 3/23/60.]

WAC 344-12-030 Hearings—Place of—Continuances—Action on. (1) Hearings shall be held in Olympia, Washington unless otherwise ordered by the committee. After notice of hearing is once given, the hearing may be continued to another day and from day to day by order of the committee.

(2) Upon receipt of a proper request or application for hearing, the committee shall, if in its judgment a hearing is warranted and justifiable, promptly call a hearing, and after such hearing and with all convenient speed, and in any event within twenty days after the conclusion of the hearing, shall take action with regard to the subject matter thereof. [Rule 5, filed 3/23/60.]

WAC 344-12-035 Administrative head. The supervisor, division of mines and geology, department of conservation and development, shall be ex officio the state oil and gas supervisor, and shall be the designated agent of the committee for the purpose of carrying out the provisions of the oil and gas conservation act. He shall be charged with the duty of enforcing this act and all rules, regulations, and orders promulgated by the committee. The oil and gas supervisor, with the concurrence of the committee, shall have the authority, and it shall be his duty, to designate a deputy or deputies and to employ all personnel necessary to carry out the provisions of this act or of the rules, regulations, or orders of the committee. [Rule 6, filed 3/23/60.]

WAC 344-12-040 Definitions. Unless the context otherwise requires, the words defined shall have the following meaning when found in these rules and regulations, to wit:

(1) "Barrel or barrels of oil" shall mean a quantity equal to 42 United States gallons of oil at a temperature of 60 degrees Fahrenheit and at atmospheric pressure, with deductions for the full percent of basic sediment, water, and other impurities present, ascertained by centrifugal or other recognized and customary test.

(2) "Blow-out" shall mean an uncontrolled sudden or violent escape of oil, water, gas, or drilling fluid from a well.

(3) "Blow-out preventer" shall mean an effective casinghead control equipped with special gates or rams which can be closed around the drill pipe, or which completely closes the top of the casing when the pipe is withdrawn.

(4) "Bottom-hole pressure" means the pressure in pounds per square inch at or near the bottom of an oil or gas well determined by a means generally recognized as satisfactory by the oil and gas industry.

(5) "Casing pressure" shall mean the pressure built up between the casing and tubing when the casing and tubing are packed off at the top of the well.

(6) "Casinghead gas" shall mean any gas or vapor, or both gas and vapor, indigenous to an oil stratum and produced from such stratum with oil.

(7) "Christmas tree" shall mean an assembly of valves and fittings at the head of the casing of a well to control the flow. Also spoken of as "Well-head connections."

(8) "Common accumulation" shall mean a geographic area, zone, or horizon definitely separated from any other such area, zone, or horizon and which contains, or from competent evidence appears to contain, a common source of supply of oil or gas or both; any oil or gas field or part thereof which comprises and includes any area which is underlaid or which from geological or other scientific data or experiments or from drilling operations or other evidence appears to be underlaid by a common pool or source of supply of oil or gas or both oil and gas.

(9) "Condensate" (see "Oil")

(10) "Conservation" shall mean conserving, preserving, guarding, or protecting the oil and gas resources of the state by obtaining the maximum efficiency with a minimum waste in the production, transportation, processing, refining, treating, and marketing of the unrenewable oil and gas resources of the state.

(11) "Cubic foot of gas" shall mean the volume of gas contained in one cubic foot of space at a standard pressure base and a standard temperature base. The standard pressure base shall be 14.73 pounds per square inch absolute and the standard temperature base shall be 60 degrees Fahrenheit.

(12) "Day" shall mean a period of twenty-four consecutive hours from 7:00 a.m. one day to 7:00 a.m. the following day.

(13) "Development" shall mean any work which actively looks toward bringing in production.

(14) "Developed area or developed unit" shall mean a drainage unit having a well completed thereon which is capable of producing oil or gas in paying quantities;

however, in the event it be shown, and the committee finds, that a part of any unit is nonproductive, then the developed part of the unit shall include only that part found to be productive.

(15) "Drainage unit" shall mean the area in a pool which may be drained efficiently and economically by one well.

(16) "Field" shall mean the general area which is underlain by at least one pool and shall include the underground reservoir or reservoirs containing oil or gas, or both. The words "field" and "pool" mean the same thing when only one underground reservoir is involved; however, "field", unlike "pool", may relate to two or more pools.

(17) "Gas" shall mean all natural gas and other fluid or gaseous hydrocarbons not defined as oil (see below), including wet gas, dry gas, and residue gas as those terms are generally understood in the petroleum industry.

(18) "Gas allowable" shall mean the amount of natural gas authorized to be produced by order of the committee.

(19) "Gas-oil ratio" shall mean the relation of the gas in cubic feet to the production of oil in barrels, measured concurrently for a limited period; i.e. the number of cubic feet of gas as produced, divided by the number of barrels of oil as produced.

(20) "Illegal gas" shall mean gas which has been produced within the state of Washington from any well or wells in excess of the amount allowed by any rule, regulation, or order of the committee, as distinguished from gas produced within the state of Washington not in excess of the amount so allowed, which is "Legal gas."

(21) "Illegal oil" shall mean oil which has been produced within the state of Washington from any well or wells in excess of the amount allowed by any rule, regulation, or order of the committee, as distinguished from oil produced within the state of Washington not in excess of the amount so allowed, which is "Legal oil".

(22) "Illegal product" shall mean any product of oil or gas, any part of which was processed or derived, in whole or in part, from illegal oil or illegal gas or from any product thereof, as distinguished from "Legal product," which is a product processed or derived to no extent from illegal oil or illegal gas.

(23) "Lessee" shall mean the lessee under an oil and gas lease, or the owner of any land or mineral rights who conducts or carries on any oil and gas development, exploration, and operation thereon, or any person so operating for himself or others.

(24) "Month and calendar month" shall mean the period or interval of time from 7:00 a.m. on the first day of any month of the calendar to 7:00 a.m. of the first day of the next succeeding month of the calendar.

(25) "Oil" shall mean crude petroleum oil, and any other hydrocarbons, regardless of gravity, which are produced at the well in liquid form by ordinary production methods or which are the result of condensation of gaseous hydrocarbons (condensate) before or after they leave the reservoir, other than gas produced in association with oil and commonly known as wet gas.

(26) "Oil allowable" shall mean the amount of oil authorized to be produced by order of the committee.

(27) "Operator" shall mean any person who, duly authorized, is in charge of the development of a lease or the operation of a producing well.

(28) "Owner" shall mean the person who has the right to drill into and to produce from a field or pool, and to appropriate the production either to himself or for himself and another or others.

(29) "Person" shall mean any natural person, corporation, association, partnership, receiver, trustee, executor, administrator, guardian, fiduciary, or representative of any kind.

(30) "Pool" shall mean an underground reservoir proven to contain a common accumulation of oil or gas, or both. Each zone of a general structure (or field) which is completely separated from any other zone in the structure is covered by the term "pool" as here used.

(31) "Pressure maintenance" shall mean, (a) the reintroduction of gas or liquid produced from an oil or gas reservoir to maintain the pressure of the reservoir; (b) the introduction of gas or fluid for the same purpose but obtained from an outside source.

(32) "Producer" shall mean the owner of a well or wells capable of producing oil or gas, or both.

(33) "Product" shall mean any commodity made from oil or gas, and shall include refined crude oil, crude tops, topped crude, processed crude petroleum, residue from crude petroleum, cracking stock, uncracked fuel oil, fuel oil, treated crude oil, residuum, gas oil, casinghead gasoline, natural gas gasoline, naphtha, distillate, propane, butane, gasoline, kerosene, benzene, wash oil, waste oil, blended gasoline, lubricating oil, blends or mixtures of oil with one or more liquid products or byproducts derived from oil or gas, and blends or mixtures of two or more liquid products or byproducts derived from oil or gas, whether hereinabove enumerated or not.

(34) "Purchaser" shall mean any person who acquires title to oil or gas by purchase from a producer or other person.

(35) "Reasonable market demand," as to oil, means the amount of oil reasonably needed for current consumption and use, together with a reasonable amount of oil for storage and working stock; and as to gas, the term means the amount of gas of any type reasonably needed to supply the current consumption and use of such type of gas.

(36) "Separator" shall mean an apparatus for separating oil, gas, water, etc., as it is produced.

(37) "Shut in pressure" shall mean the maximum pressure noted at the well head a reasonable time after the well is completely shut in.

(38) "State" shall mean the state of Washington.

(39) "Supervisor" shall mean state oil and gas supervisor.

(40) "Tender" shall mean a permit or certificate of clearance, approved and issued or registered under the authority of the committee, for the transportation of oil, gas, or products.

(41) "Transporter" shall mean and include any person engaged in the transportation of oil or gas.

(42) "Waste" in addition to its ordinary meaning, shall mean "physical waste" as that term is generally understood in the petroleum industry, and shall include:

(a) The inefficient, excessive, or improper use of, or unnecessary dissipation of, reservoir energy; and the locating, spacing, drilling, equipping, operating, or producing of any oil or gas well in a manner which results, or tends to result, in reducing the quantity of oil or gas to be recovered from any pool in this state under operations conducted in accordance with good oil field engineering practices;

(b) The inefficient above ground storage of oil; and the locating, spacing, drilling, equipping, operating, or producing of any oil or gas well in a manner causing, or tending to cause, unnecessary or excessive surface loss or destruction of oil or gas;

(c) Producing oil or gas in such a manner as to cause unnecessary water channeling or coning;

(d) The operation of an oil well with an inefficient gas-oil ratio;

(e) The drowning with water of any pool or part thereof capable of producing oil or gas, except insofar as, and to the extent, authorized by the committee hereunder;

(f) Underground waste;

(g) The creation of unnecessary fire hazards;

(h) The escape into the open air, from a well producing oil or gas, of gas in excess of the amount which is reasonably necessary in the efficient development or production of the well;

(i) The use of gas for the manufacture of carbon black, except as provided in RCW 78.52.140.

(j) Production of oil and gas in excess of the reasonable market demand.

(43) "Well history" or "Well record" shall mean the chronological written record of all operations, including formation tests, water shut-off tests, description of water, oil, or gas encountered in drilling a well with such additional information as to gas volumes, pressures, rate of fill-up, water depths, caving strata, casing record, etc., as is usually recorded in the normal procedure of drilling.

(44) "Well log" shall mean the systematic detailed record and descriptions of lithology and of strata and formations encountered in drilling a well, and shall include all electric, radioactivity, and other logs, if run. [Rule 7, filed 3/23/60.]

DRILLING—PRODUCTION

WAC 344-12-050 Application to drill (Form-1). (1) A person desiring to drill a well in search of oil or gas shall notify the supervisor of such intent on Form-1, and shall pay a fee of one hundred dollars for a permit to drill each such well. The fee shall accompany the application and be in cash, certified check, or bank draft, payable to state treasurer, state of Washington. Upon receipt of notification and the fee, the supervisor will promptly issue to such person a permit to drill, unless the drilling of the well is contrary to law, or to a rule, regulation, or order of the committee. The drilling of the well is prohibited until a permit to drill is obtained in

accordance with the provisions of this section. If the permit is disallowed, the supervisor will immediately notify the person in writing the reasons therefor. The permit will be on such form as the committee may prescribe.

(2) An operator shall be required to obtain a permit to deepen when the well is to be recompleted in another pool, but no fee is required for the permit to deepen a well previously drilled under committee permit. No permit is required for workover so long as the well remains completed in the same pool, provided the casing above the fresh-water shut-off depth is not to be disturbed or altered by the redrilling, conditioning, or testing to be performed.

(3) A permit, for which no fee is required, shall be obtained for a relatively shallow well or wells (less than 2,000 feet) not drilled in search of oil and gas but solely to obtain subsurface geological data: *Provided*, That holes drilled for the purpose of obtaining information about or sampling of the offshore beds of ocean waters shall be governed by resolution 3 [See chapter 344-16 WAC] of the oil and gas conservation committee.

(4) A blanket permit, for which no fee is required, shall be obtained for the shot holes necessary to conduct a seismic geophysical investigation of structure and stratigraphy. The application for such blanket permit shall contain information on the general location of the investigative work, the approximate number and depth of shot holes, and such other information as the supervisor may require. [§8, Resolution 3 (codified as WAC 344-12-050(3)) filed 6/28/63; Rule 8 (codified as WAC 344-12-050(1), (2), and (4)), filed 3/23/60.]

WAC 344-12-055 Transfer of drilling permit. Each person who succeeds to the rights under a drilling permit shall, within ten days after the rights are acquired, notify the supervisor in writing thereof. [Rule 9, filed 3/23/60.]

WAC 344-12-060 Bond to be furnished. (1) The committee, except as hereinafter provided, shall require from the owner a good and sufficient bond in the sum of \$5,000.00 for each well whose estimated depth is thirty-five hundred feet or less, in the sum of \$7,500.00 for each well whose estimated depth is thirty-five hundred to seven thousand feet; and in the sum of \$10,000.00 for each well whose estimated depth is over seven thousand feet, payable to the state of Washington, condition for performance of the duty to properly plug each dry or abandoned well in accordance with the rules and regulations of the committee. Said bond shall remain in force and effect until the plugging of said well is approved by the supervisor. It is provided, however, that any owner in lieu of such bond may file with the supervisor a good and sufficient blanket bond in the principal sum of not less than \$10,000.00 covering all wells drilling or to be drilled whose estimated or actual depth is thirty-five hundred feet or less, or in the principal sum of not less than \$25,000.00 if the estimated or actual depth of any one of the wells drilling or to be drilled is more than thirty-five hundred and one feet or more, and upon acceptance and approval by the supervisor of such blanket

bond said bond shall be considered as compliance with the foregoing provisions requiring an individual well bond.

(2) The supervisor shall not consent to the termination and cancellation of any bond until the well or wells for which it has been issued have been properly abandoned. A well is properly abandoned when drilling, re-drilling, or deepening has ceased before completion to production of oil or gas, and the person drilling, re-drilling, or deepening it has shown to the satisfaction of the supervisor that all proper steps have been taken to shut off and exclude all water from oil-bearing or gas-bearing strata encountered in the well, and to protect underground or surface water suitable for irrigation or farm or domestic purposes from the infiltration or addition of any detrimental substance. [Rule 10, filed 3/23/60.]

WAC 344-12-065 Identification of well. Every person drilling for oil or gas or operating, owning, controlling, or in possession of any well drilled for oil or gas, shall post on the derrick or in a conspicuous place near the well, a sign in reasonably large and clear lettering, showing the name of the person drilling, operating, owning, or controlling the well; the name of the lease; the number of the well; the permit number; and the legal land description of the location by county, section, township, and range. [Rule 11, filed 3/23/60.]

WAC 344-12-070 Well history or record and well log (Form-2). (1) During the drilling of any well, except seismic, that penetrates into the bedrock below the unconsolidated surficial cover, the owner, operator, contractor, driller, or other person responsible for the conduct of the drilling operations shall keep at the well, or at his headquarters in the state, or otherwise conveniently available to the supervisor, a detailed and accurate record of the drilling operations and a log of the strata drilled, reduced to writing from day to day, which shall be accessible to the committee and its agents at all reasonable times. A copy of the well history or record and a copy of the well log shall be furnished to the supervisor upon Form-2, prescribed by the committee, within thirty days after the completion or abandonment of the well. The well history or record shall describe the progress of drilling, the water, oil, or gas encountered, and such additional information as to gas volumes, pressures, rate of fill-up, water depths, caving strata, casing record, shooting, perforating, chemical treatment, description and results of water-shut-off tests, casing tests, drill-pipe packer tests, and other tests, as are usually recorded in the normal procedure of drilling. The well log shall progressively describe the strata and formations encountered. Any electrical or radioactivity logging or surveying of the well shall also be recorded and a copy furnished the supervisor within six months after completion.

(2) All well histories, and records, well logs, results of directional surveys, and other reports submitted under this rule shall be kept confidential by the committee for a period of one year if the well is a "wildcat" or "exploratory well" and if the operator so requests. (See RCW 78.52.260.) [Rule 12, filed 3/23/60.]

WAC 344-12-075 Deviation tests. All wells must be drilled with due diligence to maintain a reasonably vertical well bore unless special circumstances require the bore to deviate from the vertical, in which instance permission to so deviate shall be obtained from the supervisor. The committee shall have the right to make or to require the operator to make a directional survey of the hole, at the request of an off-set operator and at the expense of said off-set operator prior to the completion of the well; and the committee shall have the right to make or to require the operator to make a directional survey of the hole at any time, and at the expense of the operator, in order to ascertain that the well has not deviated beyond the boundaries of property on which well is located. [Rule 13, filed 3/23/60.]

WAC 344-12-080 Sealing off strata. (1) All fresh waters of present or probable future value for domestic, municipal, commercial, stock, or agricultural purposes shall be confined to their respective strata and shall be adequately protected.

(2) All oil, gas, and water strata above and below the producing horizon shall be sealed or separated in order to prevent their contents from passing into another stratum. [Rule 14, filed 3/23/60.]

WAC 344-12-085 Casing requirements. All oil wells shall be completed with a string of casing which shall be properly cemented at a sufficient depth adequately to protect the oil-bearing stratum. Gas-producing wells shall be cased in a similar manner. Cement shall be allowed to stand at least a total of 24 hours before drilling the plug; provided, that a lesser period, but not under 16 hours, may be permitted by the supervisor when he is satisfied that such lesser period is adequate. [Rule 15, filed 3/23/60.]

WAC 344-12-090 Blow-out prevention. In drilling in unproven areas or where high pressures are likely to exist, all proper and necessary precautions shall be taken for keeping the well under control, including the use of blow-out preventers and high-pressure fittings attached to properly anchored and cemented casing strings. The supervisor shall have the authority to require the operator to test surface casing and blow-out prevention equipment to determine that it be adequate and proper for preventing blow outs. [Rule 16, filed 3/23/60.]

WAC 344-12-095 Fire hazards. (1) Any rubbish or debris that might constitute a fire hazard in the operation of the well, tanks, separator, or other equipment shall be removed to a distance of at least one hundred feet from the well location, tanks, and separators.

(2) Oil shall not be stored in unlined earthen reservoirs or in open receptacles after a reasonable period allowed for completion and unless approved by the supervisor. [Rule 17, filed 3/23/60.]

WAC 344-12-100 Well-head fittings. Christmas-tree fittings or well-head connections shall have a working pressure in keeping with the expected pressure of the well. [Rule 18, filed 3/23/60.]

WAC 344-12-105 Tubing. Each flowing well shall be produced through tubing and shall be equipped with a master valve; however, a dual completion is permissible whereby one zone is produced through tubing and another through casing. [Rule 19, filed 3/23/60.]

WAC 344-12-110 Separators. When good operating practice so requires, all flowing wells must be produced through suitable oil and gas separators or treaters. [Rule 20, filed 3/23/60.]

WAC 344-12-115 Chokes. Each flowing well shall be equipped with an adequate choke or bean to control properly the flowing thereof. [Rule 21, filed 3/23/60.]

WAC 344-12-120 Agents to have access to all wells and well records, to witness or make well tests, and to measure production from wells. All operators of oil and gas wells are required to permit the agents of the committee to witness all tests, and to permit and assist the agents of the committee to make any and all tests, including bottom-hole pressure and gas-oil determinations, that may be required by the committee on any and all wells. The agents of the committee shall have access to all well records, and shall be permitted to come upon any lease or property to inspect any and all wells and to gauge the production therefrom at all times. [Rule 22, filed 3/23/60.]

WAC 344-12-125 Notice of intention to abandon and plug. (1) The owner or operator shall not permit any well drilled for oil, gas, salt-water disposal, or any other purpose in connection with the exploration or production of oil and gas, to remain unplugged, except as otherwise provided in WAC 344-12-140, after such well is no longer to be used for the purpose for which it was drilled or converted.

(2) Before any work is commenced to abandon any well drilled for the discovery of oil or gas, including any well drilled below the fresh-water level, except such holes as are described in WAC 344-12-135, the owner or operator thereof shall, prior to beginning operations of plugging the well, give notice to the supervisor or his representative of his intention to abandon such well, such notice shall be written, on Form 3, except that it shall be permissible to give oral notice followed within 24 hours by written confirmation on Form 3. Upon receipt of such notice, the supervisor may send a duly authorized representative to the location specified, to be present at the time indicated in such notice, to witness the plugging of the well. [Rule 23, filed 3/23/60.]

WAC 344-12-130 Procedure for plugging. Each abandoned well drilled for the discovery of oil or gas shall be plugged by or on behalf of the owner, operator, or producer who is in charge of the well and responsible therefor. Unless a different method and procedure shall be approved by the supervisor upon application by the owner, operator, or producer on Form 3, the method and procedure for plugging the well shall be as follows:

(1) The bottom of a cased hole shall be filled to, or a bridge shall be placed at, the top of each producing formation open through perforations to the well bore, and in either event a cement plug not less than fifteen feet in length shall be placed, whenever possible, immediately above each producing formation open to the well bore.

(2) A cement plug not less than fifteen feet in length shall be placed at approximately fifty feet below all fresh-water-bearing strata.

(3) A cement plug shall be placed at or near the surface of the ground in each hole in such manner as not to interfere with soil cultivation.

(4) The interval between plugs shall be filled with approved heavy mud-laden fluid.

(5) A steel plate shall be welded to the top of the surface string of casing.

(6) An uncased hole shall be plugged between fresh- and salt-water zones. It may be filled with approved heavy mud up to the base of the surface string, if this reaches below the fresh-water zone, and in the lower part of this surface string a plug of not less than fifteen feet of cement shall be placed. A steel plate shall be welded to the top of the surface string of casing.

(7) Within fifteen days after plugging of any well, the owner, operator, or producer responsible therefor who plugged or caused to be plugged the well shall file with the supervisor an affidavit on Form 4 setting forth in detail the method used in plugging the well. [Rule 24, filed 3/23/60.]

WAC 344-12-135 Seismic, core, and other exploratory holes to be plugged. Before any hole is abandoned which is drilled for seismic, core, or other exploratory purposes and which penetrates below the fresh-water zone, it shall be the duty of the owner or driller of any such hole to plug same in such a manner as to properly protect all fresh-water-bearing formations. No such hole shall be left in such a condition as to form a hazard to persons or livestock. [Rule 25, filed 3/23/60.]

WAC 344-12-140 Wells used for fresh water. When the well to be plugged may safely be used as a fresh-water well and such utilization is desired by the landowner, the well need not be filled above the required sealing plug set below fresh water: *Provided*, That written authority for such is obtained from the landowner and filed with the supervisor. Approval by the supervisor of the work done shall relieve the operator of further responsibility under the oil and gas conservation act. [Rule 26, filed 3/23/60.]

Chapter 344-16 WAC

OFFSHORE SAMPLING PERMITS

WAC

344-16-010	Applications for permits.
344-16-015	Permits—Fee—Conditions of issuance— Duration.
344-16-020	Vessel must carry.
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344-16-030	Drilling depth.
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WAC 344-16-010 Applications for permits. Any person desiring to drill a hole for the purpose of obtaining information about or sampling of the offshore beds of ocean waters within the state of Washington shall make application to the state oil and gas supervisor for a permit authorizing such operation. The supervisor may issue such permits under the terms and conditions of this resolution. [Resolution 3, § 1, filed 6/28/63.]

WAC 344-16-015 Permits—Fee—Conditions of issuance—Duration. Drilling permits for offshore sampling shall be issued upon the payment of a fee of \$50.00. No permit shall be valid for a period longer than one year. As a condition of issuance, each permittee shall agree to pay to the supervisor, to defray the cost of observers required by this resolution;

(1) For each necessary observer, the sum of \$407.00 monthly in advance for each month or portion of the month during which drilling operations are to be conducted; and

(2) Such additional sum as equals the amount by which actual costs for observers exceed the sums paid in advance, said additional sums to be paid to the supervisor upon receipt of a statement therefor from the supervisor. [Resolution 3, § 3, filed 6/28/63.]

WAC 344-16-020 Vessel must carry. Every boat, ship, or other water-borne vessel or other equipment outfitted with rotary drilling equipment for the purposes described in WAC 344-16-010 shall carry with it at all times during drilling operations:

(1) A valid drilling permit for offshore sampling;

(2) Mud, cement, and equipment which in accordance with good operating procedures would reasonably be deemed adequate to control and seal off any high pressure encountered; and

(3) An observer appointed and employed by the supervisor: *Provided*, That the supervisor for reasonable cause may waive compliance with this requirement for periods not to exceed twenty-one consecutive calendar days. [Resolution 3, § 2, filed 6/28/63.]

WAC 344-16-025 Permit shall require. Each drilling permit for offshore sampling shall require that:

(1) Upon abandonment of any hole, all rigging and material used in drilling that would constitute a hazard to navigation shall be removed and the ocean floor shall be restored to substantially its original condition;

(2) Prompt notification shall be given to the observer or the supervisor upon any show of oil or gas encountered during drilling operations;

(3) Where a substantial amount of oil or gas is encountered during drilling operations, the hole shall be immediately plugged. Prompt notification shall be given to the supervisor of such plugging;

(4) Drilling operations shall be stopped at any time the observer determines that operations are not in accordance with the permit, this resolution, or the oil and gas conservation act;

(5) Determination by an observer shall be final unless request for review is made to the supervisor. [Resolution 3, § 4, filed 6/28/63.]

WAC 344-16-030 Drilling depth. Drilling permits for offshore sampling shall authorize drilling to a maximum depth of 500 feet below the ocean floor: *Provided*, That drilling may be continued to such additional depth, not to exceed 1,000 feet below the ocean floor, as is required to obtain a sample of consolidated rock: *Provided further*, That notice of intent to drill beyond 500 feet shall first be given the observer or supervisor. No hole drilled more than 500 feet below the ocean floor shall be drilled more than 20 feet into consolidated rock. [Resolution 3, § 5, filed 6/28/63.]

WAC 344-16-035 Logging devices or equipment. Drilling permits for offshore sampling may authorize use of any type of logging devices or equipment (other than formation testing equipment) in holes drilled pursuant thereto. [Resolution 3, § 6, filed 6/28/63.]

WAC 344-16-040 Violations. Any substantial violation of the terms of a permit, this resolution, or the oil and gas conservation act shall be cause for the termination of all rights granted under any existing permit. [Resolution 3, § 7, filed 6/28/63.]