

HB 879 INTRODUCED BY COBB
APPROPRIATION TO STUDY THE ENVIRONMENTAL IMPACTS OF
OIL AND GAS DRILLING

3/13 INTRODUCED
3/13 REFERRED TO APPROPRIATIONS
3/24 HEARING
3/24 TABLED IN COMMITTEE

1 House BILL NO. 879
2 INTRODUCED BY Cobb

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4 A BILL FOR AN ACT ENTITLED: "AN ACT APPROPRIATING FUNDS FOR
5 A PROGRAMMATIC REVIEW OF THE ENVIRONMENTAL IMPACTS OF OIL
6 AND GAS DRILLING AND PRODUCTION AND RELATED RULES AND DRILL
7 PERMITTING REQUIREMENTS OF THE BOARD OF OIL AND GAS
8 CONSERVATION; AND REQUIRING PARTICIPATION BY THE DEPARTMENT
9 OF NATURAL RESOURCES AND CONSERVATION IN THE REVIEW."
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11 WHEREAS, the Board of Oil and Gas Conservation issues
12 permits to drill exploratory wells for oil and natural gas
13 but has not historically examined the environmental impacts
14 of drilling and production prior to permit issuance; and

15 WHEREAS, most wells create minor or no adverse
16 environmental impacts, while other wells, depending on
17 location, may create significant adverse environmental
18 impacts that could be reduced or mitigated; and

19 WHEREAS, no comprehensive programmatic review of the
20 environmental impacts caused by drilling for and production
21 of oil and gas and measures to mitigate the impacts has been
22 conducted in Montana, thus creating uncertainty for the
23 petroleum industry concerning environmental requirements
24 that could be imposed by the Board; and

25 WHEREAS, a comprehensive programmatic review of

1 environmental impacts of oil and gas drilling and production
2 would identify an appropriate method for incorporating
3 environmental review into the Board's rules and drill
4 permitting process and thereby provide predictability that
5 is currently lacking; and

6 WHEREAS, a comprehensive programmatic review would
7 expedite the Board's environmental review of individual
8 drilling proposals and provide a record and basis for the
9 Board to respond to public concerns about drilling and
10 production in controversial locations; and

11 WHEREAS, the resource indemnity trust fund was
12 established to improve the total environment and rectify
13 damage thereto and the fund is primarily supported by
14 contributions from the petroleum industry.

15 THEREFORE, the Legislature of the State of Montana
16 finds it appropriate to allocate funds for a programmatic
17 review of environmental impacts of oil and gas drilling and
18 production and identification of an appropriate method of
19 incorporating environmental review requirements in the
20 Board's rules and drill permitting process.

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22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

23 Section 1. Appropriation for programmatic review of
24 environmental impacts of oil and gas drilling and
25 production. There is appropriated for the biennium ending

1 June 30, 1989, from the following source, the amount
2 described below to the board of oil and gas conservation to
3 prepare a programmatic review of the environmental impacts
4 of oil and gas drilling and production:

5 Resource Indemnity Trust Interest Account \$200,000

6 Section 2. Department of natural resources and
7 conservation participation. The board of oil and gas
8 conservation and the department of natural resources and
9 conservation are jointly responsible for design and
10 preparation of the programmatic review authorized under
11 section 1. The board of oil and gas conservation shall
12 contract with the department of natural resources and
13 conservation for its contributions to the preparation of the
14 programmatic review.

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