

Sec. 2. This Act, being deemed of immediate importance, takes effect from and after its publication in the Grinnell Herald-Register, a newspaper published in Grinnell, Iowa, and in the Lee Town News, a newspaper published in Des Moines, Iowa.

Approved June 19, 1981

I hereby certify that the foregoing Act, Senate File 551 was published in the Lee Town News, Des Moines, Iowa on June 25, 1981 and the Grinnell Herald-Register, Grinnell, Iowa on July 2, 1981.

MARY JANE ODELL, *Secretary of State*

CHAPTER 41
METALLIC MINERAL EXPLORATION PERMIT
H. F. 632

AN ACT to require a permit for drilling operations for metallic minerals exploration.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 84.1, Code 1981, is amended to read as follows:

84.1 DECLARATION OF POLICY. It is hereby declared to be in the public interest to foster, to encourage, and to promote the development, production, and utilization of natural resources of oil and gas and metallic minerals in the state in such a manner as will prevent waste; to authorize and to provide for the operation and development of oil and gas and metallic minerals properties in such a manner that a greater ultimate recovery of oil and gas and metallic minerals be had and that the correlative rights of all owners be fully protected; and to encourage and to authorize such measures as will result in the greatest possible economic recovery of oil and gas and metallic minerals within the state to the end that the landowners, the royalty owners, the producers, and the general public realize and enjoy the greatest possible good from these vital natural resources. It is hereby further declared that the general welfare of the people requires that the underground and surface water of the state be protected from pollution and conserved in the best interests of the people of the state.

Sec. 2. Section 84.2, Code 1981, is amended by adding the following new subsections:

NEW SUBSECTION. "Well" means any hole drilled to determine stratigraphic sequence, mineralization, or for the discovery of oil or gas.

NEW SUBSECTION. "Metallic mineral resources" means the valuable minerals of an area containing metals such as, but not restricted to, lead, copper, zinc, and iron that are presently recoverable or may be recoverable in the future.

NEW SUBSECTION. "Exploration" means an on-site geologic examination from the surface of an area by core, rotary, percussion, or other drilling for the purpose of obtaining stratigraphic or metallic mineral resource information or establishing the nature of a known metallic mineral deposit.

Sec. 3. Section 84.4, unnumbered paragraph 1 and subsection 6, Code 1981, are amended to read as follows:

The council has the duty of administering ~~the provisions of~~ this chapter. The state geologist shall act as administrator with the duty ~~and responsibility~~ of enforcing the regulations and orders of the council applicable to the crude petroleum oil and natural gas and metallic mineral resources of this state and the provisions of this chapter. The council has the duty ~~and authority~~ to make ~~such~~ investigations as it deems proper to determine whether waste exists or is imminent or whether other facts exist which justify action. The council acting through the office of the state geologist has the authority:

6. To make rules or orders for the classification of wells as oil wells or dry natural gas wells; or wells drilled, or to be drilled, for geological information, or as wells for secondary recovery projects, or wells for the disposal of highly mineralized water, brine, or other oil field wastes, or wells for the storage of dry natural gas, or casinghead gas, or wells for the development of reservoirs for the storage of liquid petroleum gas and for the exploration and production of metallic mineral resources.

Sec. 4. Section 84.5, Code 1981, is amended to read as follows:

84.5 DRILLING PERMIT REQUIRED. It ~~shall--be~~ is unlawful to commence operations for the drilling of a well for oil or gas or the production of metallic minerals or to commence operations to deepen any well to a different geological formation without first giving the state geologist notice of intention to drill, ~~or~~ and without first obtaining a permit from the state geologist, under ~~such~~ rules ~~as may be~~ prescribed by the council and paying to the council a fee of fifty dollars for ~~such~~ the well. ~~Such~~ The fee shall be used by the council for administering this chapter, including the payment of expenses incurred in publishing legal notice.

Sec. 5. Section 84.21, unnumbered paragraph 1, Code 1981, is amended to read as follows:

The state, counties and cities and other political subdivisions ~~are hereby authorized--to~~ may lease publicly owned lands under their respective jurisdictions for the purpose of oil or gas or metallic minerals exploration and production. Any such leases shall be entered into on behalf of the state by the executive council, on behalf of ~~counties~~ a county by the board of supervisors, on behalf of ~~cities~~ a city by the council ~~thereof~~ and on behalf of ~~either~~ another political ~~subdivisions~~ subdivision by the governing body ~~thereof~~. ~~Such~~ The leases shall be upon ~~such~~ terms and conditions as ~~may be~~ agreed upon.

Sec. 6. Section 84.22, unnumbered paragraphs 1, 2, and 3, Code 1981, are amended to read as follows:

When any oil, ~~or~~ gas, or metallic mineral lease, ~~heretofore, or hereafter,~~ given on land situated in Iowa and recorded, ~~shall become~~ becomes forfeited by failure of the lessee to comply with its provisions or ~~of~~ the Iowa law, ~~it~~

~~shall-be-the-duty-of-lessee~~ the lessee shall, within sixty days after date of forfeiture of ~~any-such~~ the lease, ~~to~~ have ~~sueh~~ the lease surrendered in writing, duly acknowledged and placed on record in the county where the leased land is situated, or the lease may be released by a marginal release on margin of the record ~~thereof~~, without cost to the owner of land described ~~therein~~ in the lease. If ~~said~~ the lessee ~~shall-fail~~ fails to execute and record a release of ~~sueh~~ the recorded lease within the time provided for, ~~then~~ the owner of the land may execute and file with the recorder of the ~~county--or~~ counties in which ~~sueh~~ the forfeited lease has been recorded an affidavit of noncompliance in substantially the following form:

AFFIDAVIT OF NONCOMPLIANCE

State of Iowa

}
 }
 } ss.

County of

....., being first duly sworn, upon ~~his~~ oath deposes and says that he or she is as referred to in an (oil and gas) (metallic mineral) mining lease dated the day of, 19....., and which lease is recorded in Volume, Page, of the County Records of County,, and which ~~said~~ lease covers the following described lands:

Sec. 7. Section 84.22, unnumbered paragraph 8, Code 1981, is amended to read as follows:

I,, (Cashier) (President) of the Bank of, being first duly sworn, upon my oath ~~hereby~~ declare that there has not been deposited to the credit of in the Bank of, by or any other party, any sum of money whatsoever, in payment of rental under the terms of ~~said~~ the (oil and gas) (metallic mineral) mining lease ~~herein~~ referred to in this affidavit.

Sec. 8. This Act, being deemed of immediate importance, shall take effect from and after its publication in The Lyon County Reporter, a newspaper published in Rock Rapids, Iowa, and in the Doon Press, a newspaper published in Doon, Iowa.

Approved June 2, 1981

I hereby certify that the foregoing Act, House File 632, was published in The Lyon County Reporter, Rock Rapids, Iowa on June 24, 1981 and the Doon Press, Doon, Iowa on June 25, 1981.

MARY JANE ODELL, Secretary of State