

458A.2 Definitions.

As used in this chapter, unless the context otherwise requires:

1. "*Certificate of clearance*" means a permit prescribed by the department for the transportation or the delivery of oil or gas or product and issued or registered in accordance with the rule or order requiring the permit.
2. "*Commission*" means the environmental protection commission of the department.
3. "*Department*" means the department of natural resources created under section 455A.2.
4. "*Director*" means the director of the department or a designee.
5. "*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.
6. "*Field*" means the general area underlaid by one or more pools.
7. "*Gas*" means and includes all natural gas and all other fluid hydrocarbons which are produced at the wellhead and not hereinabove defined as oil.
8. "*Illegal gas*" means gas which has been produced from any well within this state in excess of the quantity permitted by any rule or order of the department.
9. "*Illegal oil*" means oil which has been produced from any well within the state in excess of the quantity permitted by any rule or order of the department.
10. "*Illegal product*" means any product derived in whole or in part from illegal oil or illegal gas.
11. "*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.
12. "*Oil*" means and includes crude petroleum oil and other hydrocarbons regardless of gravity which are produced at the wellhead in liquid form and the liquid hydrocarbons known as distillate or condensate recovered or extracted from gas, other than gas produced in association with oil and commonly known as casinghead gas.
13. "*Owner*" means the person who has the right to drill into and produce from a pool and to appropriate the oil or gas that person produces therefrom either for that person or others or for that person and others.
14. "*Person*" means and includes any natural person, corporation, association, partnership, receiver, trustee, personal representative, guardian, fiduciary or other representative of any kind, and includes any department, agency, or instrumentality of the state or of any governmental subdivision thereof.
15. "*Pool*" means an underground reservoir containing a common accumulation of oil or gas or both; each zone of a structure which is completely separated from any other zone in the same structure is a pool, as that term is used in this chapter.
16. "*Producer*" means the owner of a well or wells capable of producing oil or gas or both.
17. "*Product*" means any commodity made from oil or gas and includes refined crude oil, crude tops, topped

crude, processed 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, kerosene, benzine, wash oil, waste oil, blended gasoline, lubricating oil, blends or mixtures of oil with one or more liquid products or by-products derived from oil or gas, and blends or mixtures of two or more liquid products or by-products derived from oil or gas, whether hereinabove enumerated or not.

18. "*Reasonable market demand*" means the demand for oil or gas for reasonable current requirements for consumption and use within and without the state, together with such quantities as are reasonably necessary for building up or maintaining reasonable working stocks and reasonable reserves of oil or gas or product.

19. "*Waste*" means and includes

- a. Physical waste, as that term is generally understood in the oil and gas industry,
- b. The inefficient, excessive, or improper use of, or the unnecessary dissipation of reservoir energy,
- c. The location, spacing, drilling, equipping, operating, or producing of any oil or gas well or wells in a manner which causes, or tends to cause, reduction in the quantity of oil or gas ultimately recoverable from a pool under prudent and proper operations, or which causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas,
- d. The inefficient storing of oil, and
- e. The production of oil or gas in excess of transportation or marketing facilities or in excess of reasonable market demand.

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

21. The word "*and*" includes the word "*or*" and the use of the word "*or*" includes the word "*and*". The use of the plural includes the singular and the use of the singular includes the plural.

[C66, 71, 73, 75, 77, 79, 81, § 84.2; 81 Acts, ch 41, § 2; 82 Acts, ch 1199, § 37, 38, 96]

86 Acts, ch 1245, § 18101812

C93, § 458A.2