

By: Senator(s) Moffatt

To: Environment Prot, Cons
and Water Res

SENATE BILL NO. 2528

1 AN ACT TO REENACT SECTIONS 51-3-101 THROUGH 51-3-105,
2 MISSISSIPPI CODE OF 1972, WHICH CREATE THE MISSISSIPPI WATER
3 RESOURCES COUNCIL AND PRESCRIBE ITS DUTIES; TO AMEND SECTION
4 51-3-106, MISSISSIPPI CODE OF 1972, TO EXTEND THE REPEALER ON THE
5 MISSISSIPPI WATER RESOURCES COUNCIL; AND FOR RELATED PURPOSES.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

7 **SECTION 1.** Section 51-3-101, Mississippi Code of 1972, is
8 reenacted as follows:

9 51-3-101. There is created the Mississippi Water Resources
10 Advisory Council, hereinafter referred to as "council," for the
11 purpose of making recommendations to the Governor and the
12 Legislature on management of the state's water and water-related
13 land resources.

14 **SECTION 2.** Section 53-3-103, Mississippi Code of 1972, is
15 reenacted as follows:

16 53-3-103. The State Oil and Gas Board may issue an order
17 requiring such unit operation, if it finds that:

18 (a) Unit operation of the field or of any pool or
19 pools, or of any portion or portions or combinations thereof
20 within the field, is reasonably necessary in order to effectively
21 carry on secondary recovery, pressure maintenance, repressuring
22 operations, cycling operations, water flooding operations, or any
23 combination thereof, or any other form of joint effort calculated
24 to substantially increase the ultimate recovery of oil or gas or
25 both, from the unit so formed, or to prevent waste as defined in
26 Section 53-1-3; and

27 (b) One or more method of unitized operation as applied
28 to such common source of supply or portion thereof is feasible and

29 will prevent waste or will with reasonable probability result in
30 the recovery of substantially more oil or gas, or both, from the
31 unit so formed than would otherwise be recovered; and

32 (c) The plan of unitization and the agreements
33 effectuating same are fair and reasonable under all of the
34 circumstances and protect the rights of all interested parties;
35 and

36 (d) The correlative rights of interested parties will
37 be protected; and

38 (e) The estimated additional cost incident to
39 conducting such operation will not exceed the value of the
40 estimated additional recovery of oil and gas and such cost of unit
41 operation shall not be borne by the royalty owners.

42 The operators of such unit shall have drilled a sufficient
43 number of wells to a sufficient depth and at such locations as may
44 be necessary for the board to approve the boundaries of the unit
45 and determine that the field, pool or pools have been reasonably
46 developed according to a spacing pattern approved by the board.
47 No field unitization shall be approved by the board until each
48 drilling unit of the field has been drilled; however, the board is
49 hereby authorized to waive the requirement that each and every
50 drilling unit be drilled upon a finding of fact that it is not
51 economically feasible for a specific drilling unit to be drilled.

52 **SECTION 3.** Section 51-3-105, Mississippi Code of 1972, is
53 reenacted as follows:

54 51-3-105. (1) The council shall meet at least semiannually
55 for the purpose of reviewing the implementation of the state water
56 management plan and shall:

57 (a) Recommend any amendments necessary to update the
58 plan; or

59 (b) Recommend that no amendments are necessary and the
60 reasons supporting the determination.

61 The review shall be conducted as the council determines
62 appropriate, and shall include the participation of the Department
63 of Environmental Quality; Department of Wildlife, Fisheries and
64 Parks; Mississippi Development Authority; Department of Marine
65 Resources; Department of Agriculture and Commerce; Soil and Water
66 Conservation Commission; the State Department of Health; and the
67 Forestry Commission. Any joint water management district or other
68 regional organization that provides the duties of a joint water
69 management district shall be notified and may participate in this
70 review. Any interested person may, upon written application to
71 the council, seek an amendment to the state water management plan.
72 The first review of the state water management plan shall be
73 completed by January 1, 1999.

74 (2) (a) Before January 1 of each year, the council shall
75 submit to the Governor, the Commission on Environmental Quality,
76 the Senate Environmental Protection, Conservation and Water
77 Resources Committee and the House Conservation and Water Resources
78 Committee, a report on the status of the state's water resources.

79 (b) The report may contain recommendations regarding
80 the functions and programs of each of the agencies with
81 water-related programs, including, but not limited to:

82 (i) Operations of each of these programs;

83 (ii) Duplications or omissions in the programs
84 and/or missions of the agencies;

85 (iii) Changes in the organizational concepts,
86 institutions, laws and management resources necessary to properly
87 regulate and manage the state's water resources;

88 (iv) Methods to better coordinate activities of
89 the various local, state and federal agencies;

90 (v) Activities that do not conform with the state
91 water management plan;

92 (vi) Methods or ways to increase the efficiency of
93 the state's management of its water resources; and

94 (vii) Other actions that should be considered to
95 ensure the continued availability and quality of abundant surface
96 water and groundwater necessary for the future growth and
97 environmental enhancement of the state.

98 **SECTION 4.** Section 51-3-106, Mississippi Code of 1972, is
99 amended as follows:

100 51-3-106. Sections 51-3-1 through 51-3-105 shall stand
101 repealed after July 1, 2009.

102 **SECTION 5.** This act shall take effect and be in force from
103 and after its passage.