



ADMINISTRATIVE RULES OF MONTANA



36.22.302 DEFINITIONS

Unless the context otherwise requires, the words defined shall have the following meaning when found in these rules:

- (1) "Acidizing" means introduction of acid into a formation containing oil or gas to increase the producing ability of a well by dissolving a part of the reservoir rock or to clean the face of a formation.
- (2) "Aquifer" means a stratum or zone of rock which is sufficiently permeable to conduct groundwater and to yield economically significant quantities of water.
- (3) "Artificial lift" means any method by which oil or water is removed from a well bore by use of energy transmitted from the surface through the same well bore.
- (4) "Barrel" means a quantity equal to 42 United States gallons at a temperature of 60 degrees Fahrenheit and at atmospheric pressure.
- (5) "Blow-out" means an uncontrolled escape of drilling fluid, water, oil, or gas from a well.
- (6) "Blow-out preventer" means 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.
- (7) "Board" means the Board of Oil and Gas Conservation provided for in 2-15-3303, MCA.
- (8) "Bottom hole pressure" means the pressure in pounds per square inch determined at the face of the producing horizon by means of a pressure recording instrument adopted and recognized by the oil and gas industry. In the case of pumping or dually completed wells, a sonic device may be used. In the case of gas wells or wells having no liquid in the well bore, it means the pressure as calculated by adding the pressure at the surface of the ground to the calculated weight of the column of gas from the surface to the bottom of the hole.
- (9) "Casing pressure" means the pressure existing at the wellhead in the annulus between the casing and tubing.
- (10) "Casinghead gas" means any gas, vapor, or both gas and vapor indigenous to an oil stratum and produced from the stratum with oil.
- (11) "Combination well" means a well productive of both oil and gas in commercial quantities from the same common source of supply.
- (12) "Completion date":

- (a) of an oil well means the date when the first oil is produced through wellhead equipment into lease tanks from the ultimate producing interval after casing has been run;
 - (b) of a gas well means the date when the well is capable of producing gas through wellhead equipment from the ultimate producing interval after casing has been run; and
 - (c) of a dry hole means the date the top of the surface casing is sealed with a cement plug, steel cap or plate, or other approved method.
- (13) "Completion report" means board report Form No. 4 which is to be submitted to the board in triplicate for all wells drilled as specified in ARM 36.22.1011 and 36.22.1013.
- (14) "Common source of supply" is synonymous with pool, as defined in 82-11-101(12), MCA.
- (15) "Condensate" means the liquid produced by the condensation of a vapor or gas either after it leaves the reservoir or while still in the reservoir. Condensate is often called distillate, drips, or white oil.
- (16) "Controlled gas field" means any common source of supply of natural gas discovered after July 1, 1951, or any field discovered prior to July 1, 1951, provided any pool therein has been discovered after July 1, 1951, unless otherwise designated by the board.
- (17) "Controlled oil field" means any common source of supply of crude oil discovered after July 1, 1951, or any field discovered prior to July 1, 1951, provided any pool therein has been discovered after July 1, 1951, unless otherwise designated by the board.
- (18) "Controlled production" means the production of oil, gas, or both oil and gas from a controlled oil or gas field, unless otherwise designated by the board.
- (19) "Crude oil" means petroleum oil and other hydrocarbons, regardless of gravity, which are produced at the wellhead in liquid form by ordinary production methods and which are not the result of condensation of gas before or after it leaves the reservoir.
- (20) "Cubic foot of gas" means 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 is 14.73 pounds per square inch absolute and the standard temperature base is 60 degrees Fahrenheit.
- (21) "Day" means a period of 24 consecutive hours.
- (22) "Degrade" means lowering the quality of high-quality waters for a parameter (as defined in 75-5-103(22) , MCA) . The term does not include those changes in water quality determined to be nonsignificant pursuant to 75-5-301(5)(c), MCA.
- (23) "Drilling fluid" means any fluid used in the drilling of an oil or gas well to:
- (a) remove, hold, and carry cuttings to the surface;
 - (b) cool or lubricate a drill bit;
 - (c) line the bore hole;
 - (d) control subsurface pressures;
 - (e) support the weight of the drill pipe or casing;
 - (f) protect formations; or
 - (g) transmit hydraulic horsepower to the drill bit.

- (24) "Dry gas" means natural gas obtained from pools that produce gas only, or natural gas obtained that does not contain the heavier fractions that may easily condense under normal atmospheric conditions and that is not casinghead gas.
- (25) "Earthen pit" means any indentation in the ground that is used in oil or gas exploration or production activities including, but not limited to, reserve pits, skimming pits, settling pits, produced water pits, percolation pits, evaporation pits, emergency pits, and workover pits.
- (26) "Fence" means a barrier constructed of posts and wire or other materials.
- (27) "Flow line" means:
 - (a) a pipeline used to transfer crude oil, gas, and produced water from the wellhead to production treatment, separation, or storage facilities; and
 - (b) a pipeline used to transfer produced water or other fluids from a production or injection facility to an injection or disposal well. Flow line does not mean a transmission pipeline.
- (28) "Fracturing" means the introduction of fluid that may or may not carry in suspension a propping agent under pressure into a formation containing oil or gas for the purpose of creating cracks in said formation to serve as channels for fluids to move to or from the well bore.
- (29) "Freshwater" means water containing less than 10,000 parts per million (ppm) total dissolved solids (TDS) .
- (30) "Freshwater-based drilling fluid" means any drilling fluid other than a salt-based drilling fluid or oil-based drilling fluid.
- (31) "Gas" means all natural gases and all other fluid hydrocarbons as produced at the wellhead and not defined as oil in 82-1-111, MCA.
- (32) "Gas allowable" means the amount of natural gas authorized to be produced by order of the board in connection with the prevention of waste.
- (33) "Gas-oil ratio" means the ratio of gas in standard cubic feet to oil in barrels produced concurrently during any stated period.
- (34) "Gas injection" means the introduction of gas or air into a common source of supply in order to replenish, replace, or increase the energy of the reservoir.
- (35) "Gas well" means:
 - (a) a well that produces natural gas only;
 - (b) any well capable of producing at least 10,000 standard cubic feet of gas per stock tank barrel of oil per day for any calendar month; and
 - (c) any well classed as a gas well by the board for any reason.
- (36) "Harm to soil(s) " means a reduction in the plant productivity which existed at the site of a drilling well, idled well, shut-in well, or production facility prior to the initiation of oil and gas exploration or production activities.
- (37) "Hazardous substance" means any substance defined as a hazardous or deleterious substance in 75-10-701, MCA.
- (38) "Hazardous waste" means any waste defined as a hazardous waste in 75-10-403(8)(a), MCA.

- (39) "Horizontal drainhole" means that portion of a wellbore with 70 degrees to 110 degrees deviation from the vertical and a horizontal projection within the common source of supply that exceeds 100 feet.
- (40) "Horizontal drainhole end point" means the terminus of a horizontal drainhole.
- (41) "Horizontal well" means:
- (a) a well with one or more horizontal drainholes; and
 - (b) any other well classified by the board as a horizontal well.
- (42) "Illegal gas" means gas that has been produced from any well or wells in violation of any law or of any rule or order of the board.
- (43) "Illegal oil" means oil that has been produced from any well or wells in violation of any law or of any rule or order of the board.
- (44) "Irrigated cropland" means any land that is customarily supplied with water by artificial means for growing plants.
- (45) "MER" means maximum efficient rate and is the rate of production of oil, gas, and water from a well, wells, or pool which the board finds will result in the maximum ultimate recovery of oil and gas from the pool, under prudent and proper operations.
- (46) "Merchantable oil" means any oil that can be sold or traded on a commercial basis. Oil sludge, tank bottoms, and waste oil are not merchantable oils.
- (47) "Net" means an open-meshed, twisted, knotted, knitted, or woven material used to completely cover a pit, pond, tank, or other oil or gas exploration, or production facility.
- (48) "Oil", as defined in 82-1-111(3), MCA, means crude petroleum oil and other hydrocarbons regardless of gravity that are produced at the wellhead in liquid form by ordinary production methods and that are not the result of condensation of gas before or after it leaves the reservoir.
- (49) "Oil allowable" means the amount of oil authorized to be produced by order of the board in connection with the prevention of waste.
- (50) "Oil sludge" means a viscous, unmerchantable oil that contains mud or other impurities.
- (51) "Oil well" means any well capable of producing oil in commercial quantities and that is not a gas well.
- (52) "Operator" means any person who, duly authorized, is in charge of development and/or producing operations.
- (53) "Owner", as defined in 82-11-101(9), MCA, means the person who has
- the right to drill into and produce from a pool and to appropriate the oil or gas the
- person produced from a pool either for the person or others or for the person or for
- the person and others, and the term includes all persons holding that authority by or
- through the person with the right to drill.

- (54) "Perennial watercourse" means a lake, stream, river, or other body of water that flows or retains water continuously throughout the year.
- (55) "Permeability" means that property of a porous media that designates its ability to transmit fluids.
- (56) "Person", as defined in 82-11-101(10), MCA, means any natural person, corporation, association, partnership, receiver, trustee, executor, administrator, guardian, fiduciary, or other representative of any kind and includes any agency or instrumentality of the state or any governmental subdivision of the state.
- (57) "Porosity" means the ratio of rock pore volume to rock bulk volume expressed as a percentage.
- (58) "Potential" means the actual or properly computed daily ability of a well to produce oil or gas or both.
- (59) "Pressure maintenance" means the introduction of fluid or fluids into an oil or gas reservoir to retard the decline of or increase the pressure of the reservoir.
- (60) "Produced fluid" means any fluid, including oil, gas, and water, originating from subsurface geologic sources.
- (61) "Production facility" means any facility or site constructed or used for the purpose of producing, treating, or separating produced fluid, including but not limited to, oil, gas, injection, or disposal wells, pumping units, flow lines, gas flares, treaters, separators, gun barrels, storage tanks, production pits and ponds, skimmer pits, and evaporation pits or ponds. A transmission pipeline is not a production facility.
- (62) "Proved productive area" means that area which has been shown by development and/or geological information to be such that additional wells drilled thereon are reasonably certain to be commercially productive of oil or gas or both.
- (63) "Purchaser" means any person who directly or indirectly purchases, transports, takes, or otherwise removes production to his account from a well, wells, or pool.
- (64) "Reservoir pressure" means bottom hole pressure under static conditions.
- (65) "Saltwater-based drilling fluid" means any drilling fluid containing sodium chloride in concentrations of more than 10,000 parts per million (ppm), or lime (calcium oxide or calcium carbonate) in concentrations of more than 40,000 ppm, or gypsum (calcium sulfate) in concentrations of more than 50,000 ppm.
- (66) "Screen" means an open-meshed, twisted, knotted, knitted, or woven material that is firmly attached to a fence.
- (67) "Service company" means any person, other than an operator or a drilling contractor, that provides goods or services associated with oil or gas exploration and production operations.
- (68) "Solid waste" means any waste defined as a solid waste under 75-10-103, MCA.
- (69) "Spacing unit" means the area that can be efficiently drained by one well.
- (70) "Standard conditions of temperature and pressure" means 14.73 pounds per square inch absolute and 60 degrees Fahrenheit.
- (71) "Stratigraphic well or core hole" means a well drilled for stratigraphic information only.

- (72) "Stripper gas well" means a gas well that produces an average of 60 thousand standard cubic feet (MCF) or less of gas per day for a calendar month.
- (73) "Stripper oil well" means an oil well that produces less than an average of ten barrels of oil per day for a calendar month.
- (74) "Tank bottoms" means the unmerchantable oil, basic sediment, and water in oil production storage tanks, separators, and other production facilities and receptacles.
- (75) "Transmission pipeline" means a pipeline used to gather and transfer marketable crude oil or natural gas from production treatment, separation, and storage facilities. A flow line is not a transmission pipeline.
- (76) "Tubing pressure" means the pressure existing in the tubing at the wellhead.
- (77) "Water injection or water flooding" means the injection of water into a pool through one or several wells to achieve displacement of the oil from the pool.
- (78) "Waste", as defined in 82-11-101(16), MCA, means:
- (a) physical waste, as the 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(s) in a manner that causes or tends to cause reduction in the quality of oil or gas ultimately recoverable from a pool under prudent and proper operations or that causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas; and
 - (d) the inefficient storing of oil or gas. Waste does not mean the production of oil or gas from any pool or by any well to the full extent that the well or pool can be produced in accordance with methods designed to result in maximum ultimate recovery, as determined by the board.
- (79) "Waste oil" means discarded or unmerchantable oil.
- (80) "Well log" means electrical, radiation, sonic, or other routine logs run by mechanical means in a well and all other logs, surveys, analyses, and reports run or made.
- (81) "Well, wildcat or exploratory" means:
- (a) any well drilled for oil or gas outside of a delineated field; or
 - (b) a well drilled to a stratum other than one then productive within a delineated field. Well does not mean a stratigraphic well or core hole.

Authorizing statute(s): 82-11-111, MCA

Implementing statute(s): 82-11-111, MCA

History: Eff. 12/31/72; AMD, 1977 MAR p. 549, Eff. 9/24/77; AMD, 1982 MAR p. 1398, Eff. 7/16/82; AMD, 1992 MAR p. 806, Eff. 4/1/92; AMD, 1993 MAR p. 152, Eff. 7/1/93; AMD, 2000 MAR p. 3542, Eff. 12/22/00; AMD, 2009 MAR p. 2165, Eff. 11/13/09.