

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

FIRST SPECIAL SESSION

ONE HUNDRED AND SIXTH LEGISLATURE

Legislative Document

No. 2399

H. P. 1889

House of Representatives, January 18, 1974

Referred to the Committee on State Government. Sent up for concurrence and ordered printed.

E. LOUISE LINCOLN, Clerk

Presented by Mr. Crommett of Millinocket.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-FOUR

AN ACT to Clarify the Mining Laws.

Be it enacted by the People of the State of Maine, as follows:

Sec. 1. R. S., T. 10, § 2101, repealed and replaced. Section 2101 of Title 10 of the Revised Statutes, as amended, is repealed and the following enacted in place thereof:

§ 2101. Bureau of Geology

The Bureau of Geology, as heretofore established within the Department of Conservation, shall administer, regulate and control mineral development and extraction, including oil and gas, on state lands, inland waters and off-shore territories of the State of Maine and exploration, development and production of all oil and gas resources found within the State of Maine. The Bureau of Geology shall have the power to make such reasonable rules and regulations as it may deem proper with respect to all sections of this chapter, including safety and resource conservation.

Sec. 2. R. S., T. 10, § 2101-A, repealed. Section 2101-A of Title 10 of the Revised Statutes, as enacted by section 2 chapter 508 of the public laws of 1969, is repealed.

Sec. 3. R. S., T. 10, § 2105, amended. The next to the last sentence of the first paragraph of section 2105 of Title 10 of the Revised Statutes, as amended by section 1 of chapter 120 of the public laws of 1967, is further amended to read as follows:

The annual fee shall be ~~\$25~~ \$40 per claim included in the license to mine ~~not exceeding \$500 for coverage of a single mineral deposit held by one licensee.~~

Sec. 4. R. S., T. 10, § 2105, sub-§ 1, amended. Subsection 1 of section 2105 of Title 10 of the Revised Statutes, as amended by section 2 of chapter 120 of the public laws of 1967, is further amended to read as follows:

1. **Rental.** Property within the terms of a license to mine is subject to an annual rental of ~~\$5~~ \$10 per acre, payable in advance, except as provided by section 2109 ~~not exceeding \$500 for coverage of a single mineral deposit held by one licensee.~~

Sec. 5. R. S., T. 10, § 2105, amended. The next to the last sentence, as enacted by section 2 of chapter 170 of the public laws of 1967, and the last sentence, both of section 2105 of Title 10 of the Revised Statutes, are repealed and the following enacted in place thereof:

The bureau may, with the approval of the Commissioner of the Department of Conservation, assign such sums as it deems proper to the Public Reserved Lots Management Fund established by Title 30, section 4163 to be expended for the same purposes as other sums in said fund.

Sec. 6. R. S., T. 10, § 2152, amended. Section 2152 of Title 10 of the Revised Statutes, as enacted by section 301 of the public laws of 1969, is amended to read as follows:

§ 2152. Purpose

The **orderly development of oil and gas, the prevention of waste of oil and gas, the protection of correlative rights and public natural resources** are declared to be in the public interest. The purpose of this Act is to prevent such waste, ~~and~~ to protect all correlative rights **and to insure the orderly development of such resources.**

Sec. 7. R. S., T. 10, § 2155, amended. The 2nd paragraph of section 2155 of Title 10 of the Revised Statutes, as enacted by chapter 301 of the public laws of 1969, and as amended by section 2 of chapter 535 of the public laws of 1969, is further amended to read as follows:

The bureau is authorized **to regulate the orderly development of all oil and gas resources within the lands and substrata within the jurisdictional boundaries of the State of Maine**, and it is its duty to prevent waste of oil and gas and related materials, to protect correlative rights, and to prevent pollution, to make such regulations, issue such permits and collect such fees as are necessary to the proper administration of this Act, and otherwise to administer and enforce this Act. It has jurisdiction over all persons and property necessary for that purpose.

Sec. 8. R. S., T. 10, § 2155, amended. Section 2155 of Title 10 of the Revised Statutes, as enacted by chapter 301 of the public laws of 1969, is amended by adding after the 2nd paragraph a new paragraph to read as follows:

The bureau is authorized to issue exploration permits and enter into leases and other agreements for the exploration and extraction of oil and gas from the lands, inland waters and offshore territories of the State of Maine and to receive moneys from the issuance of such permits, leases and other agreements and any other payments due the State by persons or entities exploring for or extracting such oil and gas. Agreements providing for the extraction of oil or gas from the lands, inland waters or offshore territory of the State of Maine shall be on such terms and conditions as the Director of the Bureau of Geology shall determine are fair and reasonable but shall be subject to the prior written approval of the Commissioner of the Department of Conservation.

Sec. 9. R. S., T. 10, § 2162, amended. The last sentence of section 2162 of Title 10 of the Revised Statutes, as enacted by chapter 301 of the public laws of 1969, is amended to read as follows:

All fees, rentals, royalties, fines, ~~and~~ penalties and other sums collected or received under this Act shall accrue to the Oil and Gas Fund.

Sec. 10. Amendatory clause. Where in the Revised Statutes the words "Mining Bureau" or "Maine Mining Bureau" appear, they shall mean, and are hereby amended to read, the "Bureau of Geology." Wherever in the Revised Statutes the words "State Geologist" appear, they shall mean, and are hereby amended to read, the "Director of the Bureau of Geology."

Sec. 11. Transitional. All existing regulations currently in effect and operation in the Maine Mining Bureau shall continue in effect, unless in conflict with this Act, until rescinded, amended or changed by the Bureau of Geology within the Department of Conservation.

Sec. 12. Appropriation. There is appropriated to the Bureau of Geology within the Department of Conservation from the General Fund the sum of \$20,000 for salaries and administration of the Bureau of Geology.

STATEMENT OF FACT

This Act implements Management and Cost Survey recommendations 1 and 2. Maine Mining Bureau.

The purpose of this bill is to complete the reorganization of the agencies dealing with mining. The Mining Bureau, which has already been placed in the Bureau of Geology within the Department of Conservation, would be abolished and its powers and responsibilities assumed by the Director of the Bureau of Geology. In addition, this bill would update filing fees, provide for administrative and fiscal control over the affairs of the Bureau of Geology by the Commissioner of the Department of Conservation and revise the Oil and Gas Conservation and Development Control Act to reflect the foregoing changes and to insure that the Bureau of Geology has the power to properly

administer and control the exploration and extraction of oil and gas from the lands, inland waters and offshore territory of the State of Maine.

Recommendation 2 would place the mining funds in the General Fund. However, the dedicated revenue account of the Maine Mining Bureau is used for the administration of bureau activity on state lands, and, by statute, for use by other agencies for general purposes on state land. Since the Bureau of Public Lands is now the responsible agency for maintenance of state lands, it is logical for Public Lands to use the revenues for mining activity to carry out its activities. Both mining and public lands are in the same Department; so accounting and control is most efficient if mining revenue is maintained in that department.

These recommendations were supported by the Governor in his Special Message to the Special Session of the 106th Legislature on January 10, 1974.