

R649-13/R649-1, Response to Comments (09/18/2025)

Rule Topic	Rule Number	Comment	Reply
"At Risk Well" Definition	R649-1	Adding "A Shut-In Well or Temporarily Abandoned Well approved by the division in accordance with R649-3-36 is not an At Risk Well." at the end of the definition.	Considered, no change. Wells that have an extension are still a major risk. There are wells that have been extended, that still became orphaned. This could also become a loophole for operators.
"At Risk Well Supplement Amount"	R649-1	New definiton: "At Risk Well Supplement Amount" means the amount calculated in accordance with R649-13-3(1)(b)(1)(B)	Accepted
"Average TVD"	R649-1	Removed 'state' and added 'At Risk' to the definition. "Average TVD" means the average true vertical depth of all State At Risk Wells for an operator.	Rejected. Less volatile and we won't have to recalculate bond amounts as often.
"Controlling Interest"	R649-1	Added 'more than' to the definition. "Controlling Interest" means an ownership of more than 50% of the voting shares or equity in a company, project, or asset, granting the holder the power to make key operational, financial, and strategic decisions. This includes decisions about exploration, production, asset management, or corporate governance. In the absence of more than a 50% or greater percentage the largest percentage ownership will be the controlling interest.	Accepted
"Qualifying Well"	R649-1	Added 'or other governmental' to the definition. "Qualifying Well" means a well located in the state of Utah that is not otherwise bonded with a federal, or tribal, or other governmental regulatory authority that, at the time of Bond Calculation, has one of the following statuses on the Division database: Active, Drilling, Drilling Operations Suspended, Inactive, Producing, Shut-in, and Temporarily Abandoned	Rejected. Division suggests: not otherwise bonded for plugging and abandonment with a federal or tribal regulatory...
"State At Risk Well"	R649-1	Removed.	Rejected, term used in the documents, further review needed
"State Well Count"	R649-1	Removed.	Rejected, term used in the documents
"State Well"	R649-1	Removed.	Rejected, term used in the documents

"Temporarily Abandoned Well"	R649-1	<p>Added "a Qualifying Well that" and "(3) a Form 9 request status pursuant to R649-3-36 has been approved by the Division."</p> <p>"Temporarily Abandoned Well" means a Qualifying Well that: (1) a well that is neither currently producing nor permanently plugged, but has all downhole completed intervals isolated with a plug set above the highest perforation so that the well cannot produce without removing a plug; or (2) a well that is incapable of production or injection without downhole intervention or the addition of one or more pieces of wellhead or other equipment; and (3) a Form 9 request status pursuant to R649-3-36 has been approved by the Division.</p>	Considered, but no change.
Surface Owner Protection Act Provisions	R649-3-38	<p>Added 'or, in lieu thereof, a one hundred thousand dollar State-wide blanket bond'</p> <p>6.2. The surety bond or other guarantee shall be in an amount of not less than ten thousand dollars (\$10,000.00) per well site on the land unless the operations involve seismic activities or, in lieu thereof, a one hundred thousand dollar State-wide blanket bond. The surface use bond shall be conditioned upon the performance by the owner or operator of the duty to protect a surface land owner against unreasonable loss of crops on surface land, unreasonable loss of value of existing improvements, and unreasonable permanent damage to surface land.</p>	Rejected. We want to ensure the surface owners are protected with individual bonds per well.
Bond Schedules	R649-13-1(3)(b)	<p>Added 'or reduction'</p> <p>b) The Individual Depth Well Performance Bond schedule pursuant to R649-13-2 and Blanket Performance Bond schedules pursuant to R649-13-3 will be adjusted on a five- year cycle to account for an inflation or reduction factor based on current data from the Consumer Price Index for oil and gas operations. The adjusted schedules will be approved by the board after a formal presentation from the division and an opportunity for a 30-day public comment period.</p>	<p>Rejected. Adjustment will be on the inflation factor, whether it's up or down.</p> <p>Remove Consumer Price Index. Producer Price Index (Oil and Gas Extraction).</p>
Individual Well Performance Bonds	R649-13-2	<p>Added 'Depth'</p> <p>R649-13-2. Individual Depth Well Performance Bonds</p>	Accepted, but we'll say Individual Well Depth Performance Bonds
Individual Well Performance Bonds	R649-13-2(1)	<p>Added 'depth,' and 'well performance.' Also corrected a reference.</p> <p>(1) Except as set forth in Subsection R649-3-1(b)13-3, an operator who, on or after [effective date], engages in the drilling, completion, re-entry, deepening, or who acquires a well, shall furnish to the division an individual depth well performance bond in the amount set forth in the approved individual depth well performance bonding schedule. This individual depth bonding schedule will be set by the board and will be adjusted on a five- year cycle to account for an inflation factor based on current data from the Consumer Price Index for oil and gas operations. The adjusted schedules will be approved by the board after a formal presentation from the division and an opportunity for a 30-day public comment period.</p>	We'll say Individual Well Depth Performance Bonds.
Individual Well Performance Bonds	R649-13-2(2)	<p>Added 'depth,' 'performance,' 'schedule,' and corrected a reference.</p> <p>(2) The individual depth well performance bond amount set forth in subsection 1 shall be set according to the division's approved Individual Well Depth performance Bond table schedule referenced in R649-13-1(3)(a)4(4) and adjusted every five years to conform with the updated bonding schedule.</p>	<p>We'll say Individual Well Depth Performance Bonds.</p> <p>Accepted - table replaced with schedule</p>

Qualifications Required for Blanket Bonding	R649-13-3(1)(a)	Changes to a production level requirement and removes the at risk well ratio requirement.	Reject. The Division will keep the at risk well ratio requirement.
Determination of Blanket Well Performance Bond Amount	R649-13-3(1)(b)	Adds 'tier allowable,' 'qualifying,' and 'supplement schedule' throughout.	Accepted. 'Amount' and 'schedule' will be used. Reject 'qualifying'
Adjustment of Blanket Bond Amount	R649-13-3(2)	Adds 'Amount' throughout to say 'At Risk Well Supplement Amount'	Accepted 'amount'
Adjustment of Blanket Bond Amount	R649-13-3(2)(b)	Adds 'or decreases' (b) An operator's At Risk Well Supplement Amount will be recalculated under Subsection (2)(b)(i)(B) whenever an operator's state at risk well list increases or decreases to a multiple of ten.	Reject 'or decreases' to reduce the administrative burden on the Division.
Tier 1 Bonding Schedules	R649-13-4(1)	Removes language in R649-13-4(1) and (2). Suggests (1) Tier 1. (a) Base Bond Schedule: Also adds 'Qualifying Wells' to table and 'Average TVD' to the (b) Tier 1 At Risk Supplement Schedule	Requirements for the tier will remain. Base Blanket Bond Table and At Risk Supplement Schedule will be used throughout
Tier 2 Bonding Schedules	R649-13-4(3)	Removes language in R649-13-4(3) and (4). Suggests (2) Tier 2. (a) Tier 2 Base Bond Schedule: Also adds 'Qualifying Wells' to table and 'Average TVD' to the (b) Tier 2 At Risk Supplement Schedule	Requirements for the tier will remain. Base Blanket Bond Table and At Risk Supplement Schedule will be used throughout

Tier 3 Bonding Schedules	R649-13-4(5)	Removes language in R649-13-4(5) and (6). Suggests (2) Tier 3. (a) Tier 3 Base Bond Schedule: Also adds 'Qualifying Wells' to table and 'Average TVD' to the (b) Tier 3 At Risk Supplement Schedule	Requirements for the tier will remain. Base Blanket Bond Table and At Risk Supplement Schedule will be used throughout
Individual Well Depth Bond	R649-13-4(7)	Adds 'depth,' 'performance,' and 'schedule.' Changes depth to 'TVD' on table.	Accepted.
Replacement of Bonds	R649-13-6(4)(a)	Adds 'Form 16 pursuant to R649-8-18.' (a) No later than 30 days after receipt of an operator change form Form 16 pursuant to R649-8-18 , the division will provide the current and proposed operator with a determination of the proposed operator's performance bond requirements.	Accepted.
Requirements for Bond Release	R649-13-7	Adds 'Qualifying Well' throughout.	Rejected.
Requirements for Bond Release	R649-13-7(1)(b)(ii)	Changes may to shall. Adds 'only in the event of an affidavit as provided in Subsection (a) has not been submitted.' (ii) The operator and surface landowner may shall be given notice by the division of the date and time of the inspection. If either the operator or, only in the event of an affidavit as provided in Subsection (a) has not been submitted , the surface landowner is unable to attend the inspection at the scheduled time and date, the division may reschedule the inspection to allow the operator or surface landowner to participate.	Included similar language in R649-13-7(1)(a)(i).