

92D CONGRESS  
1ST SESSION

# H. J. RES. 586

## IN THE HOUSE OF REPRESENTATIVES

APRIL 28, 1971

Mr. STAGGERS introduced the following joint resolution; which was referred to the Committee on Interstate and Foreign Commerce

## JOINT RESOLUTION

Consenting to an extension and renewal of the interstate compact to conserve oil and gas.

1     *Resolved by the Senate and House of Representatives*  
2     *of the United States of America in Congress assembled,*  
3     That the consent of Congress is hereby given to an extension  
4     and renewal of the interstate compact to conserve oil and gas,  
5     as amended, which was signed in its initial form in the city  
6     of Dallas, Texas, the 16th day of February 1935, by the  
7     representatives of Oklahoma, Texas, California, and New  
8     Mexico, and at the same time and place was signed by the  
9     representatives, as a recommendation for approval to the  
10    Governors and legislatures of the States of Arkansas, Colo-  
11    rado, Illinois, Kansas, and Michigan, and which, prior to



1 August 27, 1935, was presented to and approved by the  
 2 legislatures and Governors of the States of New Mexico,  
 3 Kansas, Oklahoma, Illinois, Colorado, and Texas, and which  
 4 so approved by the six States last above named was deposited  
 5 in the Department of State of the United States, and there-  
 6 after was consented to by the Congress in Public Reso-  
 7 lution Numbered 64, Seventy-fourth Congress, approved  
 8 August 27, 1935, for a period of two years, and thereafter  
 9 was extended by the representatives of the compacting States  
 10 and consented to by the Congress for successive periods,  
 11 without interruption, the last extension being for the period  
 12 from September 1, 1969, to September 1, 1971, consented  
 13 to by Congress by Public Law Numbered 91-158, Ninety-  
 14 first Congress, approved December 24, 1969. The agree-  
 15 ment to amend, extend, and renew said compact effective  
 16 September 1, 1971, duly executed by representatives of the  
 17 States of Alabama, Alaska, Arizona, Arkansas, Colorado,  
 18 Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana,  
 19 Maryland, Michigan, Mississippi, Montana, Nebraska, Ne-  
 20 vada, New Mexico, New York, North Dakota, Ohio, Okla-  
 21 homa, Pennsylvania, South Dakota, Tennessee, Texas, Utah,

1 West Virginia, and Wyoming has been deposited in the De-  
 2 partment of State of the United States, and reads as follows:

3 "AN AGREEMENT TO AMEND, EXTEND AND RE-  
 4 NEW THE INTERSTATE COMPACT TO CON-  
 5 SERVE OIL AND GAS

6 "WHEREAS, on the 16th day of February, 1935, in  
 7 the City of Dallas, Texas, there was executed 'An Inter-  
 8 state Compact to Conserve Oil and Gas' which was there-  
 9 after formally ratified and approved by the States of  
 10 Oklahoma, Texas, New Mexico, Illinois, Colorado and Kan-  
 11 sas, the original of which is now on deposit with the  
 12 Department of State of the United States;

13 "WHEREAS, effective as of September 1, 1971, the  
 14 several compacting states deem it advisable to amend said  
 15 compact so as to provide that upon the giving of Congres-  
 16 sional consent thereto in its amended form, said Compact  
 17 will remain in effect until Congress withdraws such consent;

18 "WHEREAS, the original of said Compact as so  
 19 amended will, upon execution thereof, be deposited promptly  
 20 with the Department of State of the United States, a true  
 21 copy of which follows:



1 "AN INTERSTATE COMPACT TO CONSERVE  
2 OIL AND GAS

3 "ARTICLE I

4 "This agreement may become effective within any  
5 compacting state at any time as prescribed by that state,  
6 and shall become effective within those states ratifying it  
7 whenever any three of the States of Texas, Oklahoma,  
8 California, Kansas and New Mexico have ratified and Con-  
9 gress has given its consent. Any oil-producing state may  
10 become a party hereto as hereinafter provided.

11 "ARTICLE II

12 "The purpose of this compact is to conserve oil and  
13 gas by the prevention of physical waste thereof from any  
14 cause.

15 "ARTICLE III

16 "Each state bound hereby agrees that within a reason-  
17 able time it will enact laws, or if the laws have been enacted,  
18 then it agrees to continue the same in force, to accomplish  
19 within reasonable limits the prevention of:

20 "(a) The operation of any oil well with an in-  
21 efficient gas-oil ratio.

22 "(b) The drowning with water of any stratum  
23 capable of producing oil or gas, or both oil and gas, in  
24 paying quantities.

1 "(c) The avoidable escape into the open air or  
2 the wasteful burning of gas from a natural gas well.

3 "(d) The creation of unnecessary fire hazards.

4 "(e) The drilling, equipping, locating, spacing or  
5 operating of a well or wells so as to bring about physical  
6 waste of oil or gas or loss in the ultimate recovery  
7 thereof.

8 "(f) The inefficient, excessive or improper use of  
9 the reservoir energy in producing any well.

10 "The enumeration of the foregoing subjects shall not  
11 limit the scope of the authority of any state.

12 "ARTICLE IV

13 "Each state bound hereby agrees that it will, within  
14 a reasonable time, enact statutes, or if such statutes have  
15 been enacted then that it will continue the same in force,  
16 providing in effect that oil produced in violation of its valid  
17 oil and/or gas conservation statutes or any valid rule, order  
18 or regulation promulgated thereunder, shall be denied access  
19 to commerce; and providing for stringent penalties for the  
20 waste of either oil or gas.

21 "ARTICLE V

22 "It is not the purpose of this compact to authorize the  
23 states joining herein to limit the production of oil or gas for  
24 the purpose of stabilizing or fixing the price thereof, or



1 create or perpetuate monopoly, or to promote regimentation,  
 2 but is limited to the purpose of conserving oil and gas and  
 3 preventing the avoidable waste thereof within reasonable  
 4 limitations.

#### 5 "ARTICLE VI

6 "Each state joining herein shall appoint one repre-  
 7 sentative to a commission hereby constituted and designated  
 8 as THE INTERSTATE OIL COMPACT COMMISSION,  
 9 the duty of which said Commission shall be to make inquiry  
 10 and ascertain from time to time such methods, practices,  
 11 circumstances, and conditions as may be disclosed for bring-  
 12 ing about conservation and the prevention of physical waste  
 13 of oil and gas, and at such intervals as said Commission  
 14 deems beneficial it shall report its findings and recommenda-  
 15 tions to the several states for adoption or rejection.

16 "The Commission shall have power to recommend  
 17 the coordination of the exercise of the police powers of the  
 18 several states within their several jurisdictions to promote the  
 19 maximum ultimate recovery from the petroleum reserves of  
 20 said states, and to recommend measures for the maximum  
 21 ultimate recovery of oil and gas. Said Commission shall orga-  
 22 nize and adopt suitable rules and regulations for the conduct  
 23 of its business.

24 "No action shall be taken by the Commission except:  
 25 (1) By the affirmative votes of the majority of the whole

1 number of the compacting states represented at any meeting,  
 2 and (2) by a concurring vote of a majority in interest of  
 3 the compacting states at said meeting, such interest to be  
 4 determined as follows: Such vote of each state shall be in  
 5 the decimal proportion fixed by the ratio of its daily average  
 6 production during the preceding calendar half-year to the  
 7 daily average production of the compacting states during  
 8 said period.

#### 9 "ARTICLE VII

10 "No state by joining herein shall become financially  
 11 obligated to any other state, nor shall the breach of the  
 12 terms hereof by any state subject such state to financial  
 13 responsibility to the other states joining herein.

#### 14 "ARTICLE VIII

15 "This compact shall continue in effect until Congress  
 16 withdraws its consent. But any state joining herein may,  
 17 upon sixty (60) days' notice, withdraw herefrom.

18 "The representatives of the signatory states have signed  
 19 this agreement in a single original which shall be deposited in  
 20 the archives of the Department of State of the United States,  
 21 and a duly certified copy shall be forwarded to the governor  
 22 of each of the signatory states.

23 "This compact shall become effective when ratified and  
 24 approved as provided in Article I. Any oil-producing state



1 may become a party hereto by affixing its signature to a  
2 counterpart to be similarly deposited, certified, and ratified.

3 "‘Done in the City of Dallas, Texas, this sixteenth day  
4 of February, 1935.’

5 "WHEREAS, the said ‘Interstate Compact to Conserve  
6 Oil and Gas’ in its initial form has heretofore been duly re-  
7 newed and extended with the consent of the Congress to  
8 September 1, 1971; and

9 "WHEREAS, it is desired to amend said ‘Interstate  
10 Compact to Conserve Oil and Gas’ effective September 1,  
11 1971, and to renew and extent said compact as so amended:

12 "NOW, THEREFORE, THIS WRITING WIT-  
13 NESSETH:

14 "It is hereby agreed that effective September 1, 1971,  
15 the Compact entitled ‘An Interstate Compact to Conserve Oil  
16 and Gas’ executed within the City of Dallas, Texas, on the  
17 16th day of February, 1935, and now on deposit with the  
18 Department of State of the United States, be and the same is  
19 hereby amended by amending the first paragraph of Article  
20 VII thereof to read as follows:

21 "‘This compact shall continue in effect until Con-  
22 gress withdraws its consent. But any state joining herein  
23 may, upon sixty (60) days’ notice, withdraw herefrom.’  
24 and that said compact as so amended be, and the same is  
25 hereby renewed and extended. This agreement shall become

1 effective when executed, ratified, and approved as provided  
2 in Article I of said compact as so amended.

3 "The signatory States have executed this agreement in  
4 a single original which shall be deposited in the archives of  
5 the Department of State of the United States and a duly  
6 certified copy thereof shall be forwarded to the Governor of  
7 each of the signatory States. Any oil-producing state may  
8 become a party hereto by executing a counterpart of this  
9 agreement to be similarly deposited, certified, and ratified.

10 "Executed by the several undersigned states, at their  
11 several state capitols, through their proper officials on the  
12 dates as shown, as duly authorized by statutes and resolu-  
13 tions, subject to the limitations and qualifications of the acts  
14 of the respective State Legislatures.

"THE STATE OF ALABAMA

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State (SEAL)

"THE STATE OF ALASKA

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State (SEAL)

"THE STATE OF ARIZONA

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State (SEAL)

"THE STATE OF ARKANSAS

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State (SEAL)



## "THE STATE OF COLORADO

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF FLORIDA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF ILLINOIS

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF INDIANA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF KANSAS

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF KENTUCKY

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF LOUISIANA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF MARYLAND

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF MICHIGAN

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF MISSISSIPPI

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF MONTANA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF NEBRASKA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF NEW MEXICO

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF NEW YORK

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF NORTH DAKOTA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF OHIO

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF OKLAHOMA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE COMMONWEALTH OF PENNSYLVANIA

By \_\_\_\_\_, Governor  
 Attest: \_\_\_\_\_  
 Dated: \_\_\_\_\_  
 Secretary of the Commonwealth (SEAL)

## "THE STATE OF SOUTH DAKOTA

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)

## "THE STATE OF TENNESSEE

By \_\_\_\_\_, Governor  
 Dated: \_\_\_\_\_  
 Attest: \_\_\_\_\_  
 Secretary of State (SEAL)



## "THE STATE OF TEXAS

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State

(SEAL)

## "THE STATE OF UTAH

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State

(SEAL)

## "THE STATE OF WEST VIRGINIA

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State

(SEAL)

## "THE STATE OF WYOMING

By \_\_\_\_\_, Governor

Dated: \_\_\_\_\_

Attest: \_\_\_\_\_

Secretary of State

(SEAL)"

- 1 SEC. 2. The Attorney General of the United States shall  
 2 continue to make an annual report to Congress, as provided  
 3 in section 2 of Public Law 185, Eighty-fourth Congress, for  
 4 the duration of the Interstate Compact to Conserve Oil and  
 5 Gas as to whether or not the activities of the States under  
 6 the provisions of such compact have been consistent with  
 7 the purposes as set out in Article V of such compact.
- 8 SEC. 3. The right to alter, amend, or repeal the provi-  
 9 sions of the first section of this joint resolution is hereby  
 10 expressly reserved.

92<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. J. RES. 586

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## JOINT RESOLUTION

Consenting to an extension and renewal of the  
interstate compact to conserve oil and gas.

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By Mr. STAGGERS

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APRIL 28, 1971

Referred to the Committee on Interstate and Foreign  
Commerce