

FLUID MINERALS BOND PROCESSING USER GUIDE

VIII. Bonds for Fluid Disposal WellsKeywords

A bond for a fluid disposal well may or may not be required, depending upon the use of the disposal well. No additional bond coverage is necessary for a fluid disposal well if the disposal well is used for water produced from a well on the lease and for the benefit of the lease, since the existing oil and gas bond covering the operations on the lease is sufficient.

FLUID DISPOSAL
WELL BOND

If, however, the oil and gas well on the lease ceases production, or the lease terminates due to lack of production, the operator desiring to continue to use the disposal well for fluids produced from other leases must obtain a right-of-way authorization under Title V of the Federal Land Policy and Management Act (FLPMA), and the regulations at 43 CFR 2800. In this case, the fluid disposal well must be bonded under a right-of-way performance bond filed in, and accepted by, the appropriate BLM Field Office.

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