As Passed by the Senate

125th General Assembly Regular Session 2003-2004

Sub. H. B. No. 278

Representatives Niehaus, Reidelbach, Seitz, Webster, Gibbs, Husted,
Peterson, Hoops, Carmichael, Blasdel, T. Patton, D. Evans, McGregor, Gilb,
DeWine, Setzer, Willamowski, Raga, Schaffer, Book, Widowfield, Hollister,
Callender, Cates, Flowers, Hagan, Walcher, Wolpert
Senators Mumper, Harris, Nein, White, Amstutz, Wachtmann, Austria,
Padgett

A BILL

To amend sections 303.211, 519.211, 1509.02, 1509.03, 1 1509.06, 1509.23, 1509.31, and 1510.11 and to repeal section 1509.39 of the Revised Code to 3 declare that the Division of Mineral Resources 4 Management in the Department of Natural Resources 5 has exclusive authority to regulate the 6 permitting, location, and spacing of oil and gas 7 wells in the state, and to revise the laws 8 governing the drilling of oil and gas and the oil 9 and natural gas marketing program. 10

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 303.211, 519.211, 1509.02, 1509.03,	11
1509.06, 1509.23, 1509.31, and 1510.11 of the Revised Code be	12
amended to read as follows:	13
Sec. 303.211. (A) Except as otherwise provided in division	14
(B) or (C) of this section, sections 303.01 to 303.25 of the	15

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Revised Code do not confer any power on any board of county	16
commissioners or board of zoning appeals in respect to the	17
location, erection, construction, reconstruction, change,	18
alteration, maintenance, removal, use, or enlargement of any	19
buildings or structures of any public utility or railroad, whether	20
publicly or privately owned, or the use of land by any public	21
utility or railroad for the operation of its business.	22
(B)(1) As used in this division, "telecommunications tower"	23
means any free-standing structure, or any structure to be attached	24
to a building or other structure, that meets all of the following	25
criteria:	26
(a) The free-standing or attached structure is proposed to be	27
constructed on or after October 31, 1996.	28
(b) The free-standing or attached structure is proposed to be	29
owned or principally used by a public utility engaged in the	30
provision of telecommunications services.	31
(c) The free-standing or attached structure is proposed to be	32
located in an unincorporated area of a township, in an area zoned	33
for residential use.	34
(d)(i) The free-standing structure is proposed to top at a	35
height that is greater than either the maximum allowable height of	36
residential structures within the zoned area as set forth in the	37
applicable zoning regulations, or the maximum allowable height of	38
such a free-standing structure as set forth in any applicable	39
zoning regulations in effect immediately prior to October 31,	40
1996, or as those regulations subsequently are amended.	41
(ii) The attached structure is proposed to top at a height	42
that is greater than either the height of the building or other	43

structure to which it is to be attached, or the maximum allowable

height of such an attached structure as set forth in any

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mailing of the notice, such board of township trustees or any such

property owner may give written notice to the board of county

commissioners requesting that sections 303.01 to 303.25 of the

Revised Code apply to the proposed location of the tower as

provided under division (B)(4)(a) of this section.

If the notice to the board of township trustees or to a property owner is returned unclaimed or refused, the person shall mail the notice by regular mail. The failure of delivery of the notice does not invalidate the notice.

- (b) Written notice to the board of county commissioners of the information specified in divisions (B)(3)(a)(i) and (ii) of this section. The notice to the board also shall include verification that the person has complied with division (B)(3)(a) 89 of this section.
- (4)(a) If the board of county commissioners receives notice 91 from the board of township trustees or a property owner under 92 division (B)(3)(a)(iii) of this section within the time specified 93 in that division or if a member of the board of county 94 commissioners makes an objection to the proposed location of the 95 telecommunications tower within fifteen days after the date of 96 mailing of the notice sent under division (B)(3)(b) of this 97 section, the board of county commissioners shall send the person 98 proposing to construct the tower written notice that the tower is 99 subject to the power conferred by and in accordance with division 100 (B)(2) of this section. The notice shall be sent no later than 101 five days after the earlier of the date the board first receives 102 such a notice from the board of township trustees or a property 103 owner or the date upon which a member of the board of county 104 commissioners makes an objection. Upon the date of mailing of the 105 notice to the person, sections 303.01 to 303.25 of the Revised 106 Code shall apply to the tower. 107

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(b) If the board of county commissioners receives no notice	108
under division (B)(3)(a)(iii) of this section within the time	109
prescribed by that division or no board member has an objection as	110
provided under division (B)(4)(a) of this section within the time	111
prescribed by that division, division (A) of this section shall	112
apply to the tower without exception.	113
(C) Sections 303.01 to 303.25 of the Revised Code confer	114
power on a board of county commissioners or board of zoning	115
appeals with respect to the location, erection, construction,	116
reconstruction, change, alteration, maintenance, removal, use, or	117
enlargement of any buildings or structures of a public utility	118
engaged in the business of transporting persons or property, or	119
both, or providing or furnishing such transportation service, over	120
any public street, road, or highway in this state, and with	121
respect to the use of land by any such public utility for the	122
operation of its business, to the extent that any exercise of such	123
power is reasonable and not inconsistent with Chapters 4901.,	124
4903., 4905., 4909., 4921., and 4923. of the Revised Code.	125
However, this division confers no power on a board of county	126
commissioners or board of zoning appeals with respect to a	127
building or structure of, or the use of land by, a person engaged	128
in the transportation of farm supplies to the farm or farm	129
products from farm to market or to food fabricating plants.	130
(D) Sections 303.01 to 303.25 of the Revised Code confer no	131
power on any county rural zoning commission, board of county	132
commissioners, or board of zoning appeals to prohibit the sale or	133
use of alcoholic beverages in areas where the establishment and	134
operation of any retail business, hotel, lunchroom, or restaurant	135
is permitted.	136
(E) Sections 303.01 to 303.25 of the Revised Code do not	137

confer any power on any county rural zoning commission, board of

county commissioners, or board of zoning appeals to prohibit the

public utility or railroad, whether publicly or privately owned,	171
or the use of land by any public utility or railroad, for the	172
operation of its business.	173
(B)(1) As used in this division, "telecommunications tower"	174
means any free-standing structure, or any structure to be attached	175
to a building or other structure, that meets all of the following	176
criteria:	177
(a) The free-standing or attached structure is proposed to be	178
constructed on or after October 31, 1996.	179
(b) The free-standing or attached structure is proposed to be	180
owned or principally used by a public utility engaged in the	181
provision of telecommunications services.	182
(c) The free-standing or attached structure is proposed to be	183
located in an unincorporated area of a township, in an area zoned	184
for residential use.	185
(d)(i) The free-standing structure is proposed to top at a	186
height that is greater than either the maximum allowable height of	187
residential structures within the zoned area as set forth in the	188
applicable zoning regulations, or the maximum allowable height of	189
such a free-standing structure as set forth in any applicable	190
zoning regulations in effect immediately prior to October 31,	191
1996, or as those regulations subsequently are amended.	192
(ii) The attached structure is proposed to top at a height	193
that is greater than either the height of the building or other	194
structure to which it is to be attached, or the maximum allowable	195
height of such an attached structure as set forth in any	196
applicable zoning regulations in effect immediately prior to	197
October 31, 1996, or as those regulations subsequently are	198
amended.	199

(e) The free-standing or attached structure is proposed to

reconstruction, change, alteration, maintenance, removal, use, or 263 enlargement of any buildings or structures of a public utility 264 engaged in the business of transporting persons or property, or 265 both, or providing or furnishing such transportation service, over 266 any public street, road, or highway in this state, and with 267 respect to the use of land by any such public utility for the 268 operation of its business, to the extent that any exercise of such 269 power is reasonable and not inconsistent with Chapters 4901., 270 4903., 4905., 4909., 4921., and 4923. of the Revised Code. 271 However, this division confers no power on a board of township 272 trustees or board of zoning appeals with respect to a building or 273 structure of, or the use of land by, a person engaged in the 274 transportation of farm supplies to the farm or farm products from 275 farm to market or to food fabricating plants. 276

- (D) Sections 519.02 to 519.25 of the Revised Code confer no 277 power on any township zoning commission, board of township 278 trustees, or board of zoning appeals to prohibit the sale or use 279 of alcoholic beverages in areas where the establishment and 280 operation of any retail business, hotel, lunchroom, or restaurant 281 is permitted.
- (E) Sections 519.02 to 519.25 of the Revised Code do not 283 confer any power on any township zoning commission, board of 284 township trustees, or board of zoning appeals to prohibit the use 285 of any land owned or leased by an industrial firm for the conduct 286 of oil or natural gas well drilling or production activities or 287 the location of associated facilities or equipment when such oil 288 or natural gas obtained by the industrial firm is used for the 289 operation of its own plants. 290
- (F)(1) Any person who plans to construct a telecommunications 291 tower within one hundred feet of a residential dwelling shall 292 provide a written notice to the owner of the residential dwelling 293 and to the person occupying the residence, if that person is not 294

The chief shall not hold any other public office, nor shall

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implementation, and enforcement of this chapter. No $\underline{\text{The rules}}$	357
shall include an identification of the subjects that the chief	358
shall address when attaching terms and conditions to a permit with	359
respect to a well and production facilities of a well that are	360
located within a municipal corporation or within a township that	361
has a population of more than fifteen thousand in the most recent	362
federal decennial census prior to the issuance of the permit. The	363
subjects shall include all of the following:	364
(A) Safety concerning the drilling or operation of a well;	365
(B) Protection of the public and private water supply;	366
(C) Location of surface facilities of a well;	367
(D) Fencing and screening of surface facilities of a well;	368
(E) Containment and disposal of drilling and production	369
wastes;	370
(F) Construction of access roads for purposes of the drilling	371
and operation of a well.	372
No person shall violate any rule of the chief adopted under	373
this chapter.	374
Any order issuing, denying, or modifying a permit or notices	375
required to be made by the chief pursuant to this chapter shall be	376
made in compliance with Chapter 119. of the Revised Code, except	377
that personal service may be used in lieu of service by mail.	378
Every order issuing, denying, or modifying a permit under this	379
chapter and described as such shall be considered an adjudication	380
order for purposes of Chapter 119. of the Revised Code.	381
Where notice to the owners is required by this chapter, the	382
notice shall be given as prescribed by a rule adopted by the chief	383
to govern the giving of notices. Such rule shall provide for	384
notice by publication except in those cases where other types of	385
notice are necessary in order to meet the requirements of the law.	386

The chief or the chief's authorized representative may at any	387
time enter upon lands, public or private, for the purpose of	388
administration or enforcement of this chapter, the rules adopted	389
or orders made thereunder, or terms or conditions of permits or	390
registration certificates issued thereunder and may examine and	391
copy records pertaining to the drilling, conversion, or operation	392
of a well for injection of fluids and logs required by division	393
(C) of section 1509.223 of the Revised Code. No person shall	394
prevent or hinder the chief or the chief's authorized	395
representative in the performance of official duties. If entry is	396
prevented or hindered, the chief or the chief's authorized	397
representative may apply for, and the court of common pleas may	398
issue, an appropriate inspection warrant necessary to achieve the	399
purposes of this chapter within the court's territorial	400
jurisdiction.	401

The chief may issue orders to enforce this chapter, rules

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adopted thereunder, and terms or conditions of permits issued
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thereunder. Any such order shall be considered an adjudication
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order for the purposes of Chapter 119. of the Revised Code. No
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person shall violate any order of the chief issued under this
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chapter. No person shall violate a term or condition of a permit
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or registration certificate issued under this chapter.
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Orders of the chief denying, suspending, or revoking a 409 registration certificate; approving or denying approval of an 410 application for revision of a registered transporter's plan for 411 disposal; or to implement, administer, or enforce division (A) of 412 section 1509.224 and sections 1509.22, 1509.222, 1509.223, 413 1509.225, and 1509.226 of the Revised Code pertaining to the 414 transportation of brine by vehicle and the disposal of brine so 415 transported are not adjudication orders for purposes of Chapter 416 119. of the Revised Code. The chief shall issue such orders under 417 division (A) or (B) of section 1509.224 of the Revised Code, as 418

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well that have been filed with the division of mineral resources	448
management and are in effect at the time the application is filed,	449
including, but not limited to, zoning ordinances and resolutions	450
and the requirements of section 4513.34 of the Revised Code, will	451
be complied with until abandonment of the well; For an application	452
for a permit to drill a new well, a sworn statement that the	453
applicant has provided notice of the application to the owner of	454
each occupied dwelling unit that is located within five hundred	455
feet of the surface location of the well if the surface location	456
will be less than five hundred feet from the boundary of the	457
drilling unit and more than fifteen occupied dwelling units are	458
located less than five hundred feet from the surface location of	459
the well, excluding any dwelling that is located on real property	460
all or any portion of which is included in the drilling unit. The	461
notice shall contain a statement that an application has been	462
filed with the division of mineral resources management, identify	463
the name of the applicant and the proposed well location, include	464
the name and address of the division, and contain a statement that	465
comments regarding the application may be sent to the division.	466
The notice may be provided by hand delivery or regular mail. The	467
identity of the owners of occupied dwelling units shall be	468
determined using the tax records of the municipal corporation or	469
county in which the dwelling unit is located as of the date of the	470
notice.	471

- (J) A plan for restoration of the land surface disturbed by
 drilling operations. The plan shall provide for compliance with
 the restoration requirements of division (A) of section 1509.072
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 of the Revised Code and any rules adopted by the chief pertaining
 to that restoration.
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- (K) A description by name or number of the county, township,
 and municipal corporation roads, streets, and highways that the
 applicant anticipates will be used for access to and egress from
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after the date of filing of the application for the permit unless, 512 upon reasonable cause shown, the chief waives that period or a 513 request for expedited review is filed under this section. However, 514 the chief shall issue a permit within twenty-one days of the 515 filing of the application unless the chief denies the application 516 by order.

An applicant may file a request with the chief for expedited 518 review of a permit application if the well is not or is not to be 519 located in a gas storage reservoir or reservoir protective area, 520 as "reservoir protective area" is defined in section 1571.01 of 521 the Revised Code. If the well is or is to be located in a coal 522 bearing township, the application shall be accompanied by the 523 affidavit of the landowner prescribed in section 1509.08 of the 524 Revised Code. 525

In addition to a complete application for a permit that meets 526 the requirements of this section and the permit fee prescribed by 527 this section, a request for expedited review shall be accompanied 528 by a separate nonrefundable filing fee of five hundred dollars. 529 Upon the filing of a request for expedited review, the chief shall 530 cause the county engineer of the county in which the well is or is 531 to be located to be notified of the filing of the permit 532 application and the request for expedited review by telephone or 533 other means that in the judgment of the chief will provide timely 534 notice of the application and request. The chief shall issue a 535 permit within seven days of the filing of the request unless the 536 chief denies the application by order. Notwithstanding the 537 provisions of this section governing expedited review of permit 538 applications, the chief may refuse to accept requests for 539 expedited review if, in the chief's judgment, the acceptance of 540 the requests would prevent the issuance, within twenty-one days of 541 their filing, of permits for which applications are pending. 542

A well shall be drilled and operated in accordance with the

plans, sworn statements, and other information submitted in the 544 approved application. 545

The chief shall issue an order denying a permit if the chief 546 finds that there is a substantial risk that the operation will 547 result in violations of this chapter or rules adopted under it 548 that will present an imminent danger to public health or safety or 549 damage to the environment, provided that where the chief finds 550 that terms or conditions to the permit can reasonably be expected 551 to prevent such violations, the chief shall issue the permit 552 subject to those terms or conditions, including, if applicable, 553 terms and conditions regarding subjects identified in rules 554 adopted under section 1509.03 of the Revised Code. 555

Each application for a permit required by section 1509.05 of 556 the Revised Code, except an application for a well drilled or 557 reopened for purposes of section 1509.22 of the Revised Code, also 558 shall be accompanied by a nonrefundable fee of two hundred fifty 559 dollars.

The chief may order the immediate suspension of drilling, 561 operating, or plugging activities after finding that any person is 562 causing, engaging in, or maintaining a condition or activity that 563 in the chief's judgment presents an imminent danger to public 564 health or safety or results in or is likely to result in immediate 565 substantial damage to natural resources or for nonpayment of the 566 fee required by this section. The chief may order the immediate 567 suspension of the drilling or reopening of a well in a coal 568 bearing township after determining that the drilling or reopening 569 activities present an imminent and substantial threat to public 570 health or safety or to miners' health or safety. Before issuing 571 any such order, the chief shall notify the owner in such manner as 572 in the chief's judgment would provide reasonable notification that 573 the chief intends to issue a suspension order. The chief may issue 574 such an order without prior notification if reasonable attempts to 575

for equipment to prevent and contain discharges of oil from oil

production facilities and oil drilling and workover facilities

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Sec. 1509.31. Whenever the entire interest of an oil and gas

lease is assigned or otherwise transferred, the assignor or

transferor shall notify the holders of the royalty interests, and,

if a well or wells exist on the lease, the division of mineral

resources management, of the name and address of the assignee or

transferee by certified mail, return receipt requested, not later

than thirty days after the date of the assignment or transfer.

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When notice of any such assignment or transfer is required to be	638
provided to the division, it shall be provided on a form	639
prescribed and provided by the division and verified by both the	640
assignor or transferor and by the assignee or transferee. The	641
notice form applicable to assignments or transfers of a well to	642
the owner of the surface estate of the tract on which the well is	643
located shall contain a statement informing the landowner that the	644
well may require periodic servicing to maintain its productivity;	645
that, upon assignment or transfer of the well to the landowner,	646
the landowner becomes responsible for compliance with the	647
requirements of this chapter and rules adopted under it,	648
including, without limitation, the proper disposal of brine	649
obtained from the well, the plugging of the well when it becomes	650
incapable of producing oil or gas, and the restoration of the well	651
site; and that, upon assignment or transfer of the well to the	652
landowner, the landowner becomes responsible for the costs of	653
compliance with the requirements of this chapter and rules adopted	654
under it and the costs for operating and servicing the well.	655

The owner holding a permit under section 1509.05 of the 656 Revised Code is responsible for all obligations and liabilities 657 imposed by this chapter and any rules, orders, and terms and 658 conditions of a permit adopted or issued under it, and no 659 assignment or transfer by the owner relieves the owner of the 660 obligations and liabilities until and unless the assignee or 661 transferee files with the division the information described in 662 divisions (A), (B), (C), (D), (E), $\frac{(1)}{}$, (J), (K), and (L) of 663 section 1509.06 of the Revised Code; obtains liability insurance 664 coverage required by section 1509.07 of the Revised Code, except 665 when none is required by that section; and executes and files a 666 surety bond, negotiable certificates of deposit or irrevocable 667 letters of credit, or cash, as described in that section. Instead 668 of a bond, but only upon acceptance by the chief of the division 669

of the program, the nonprofit corporation shall distribute any

remaining unobligated money to be used for one or more exempt

purposes within the meaning of section 501(c)(3) of the Internal

Revenue Code or to the federal, a state, or a local government to

be used for a public purpose. If there remains any unobligated

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money after the distribution by the nonprofit corporation, the	701
court of common pleas of the county in which the principal office	702
of the nonprofit corporation is located shall distribute the	703
remaining unobligated money to be used for one or more exempt	704
purposes within the meaning of section 501(c)(3) of the Internal	705
Revenue Code, to the federal, a state, or a local government to be	706
used for a public purpose, or to one or more organizations that	707
are organized and operated exclusively for one or more of the	708
purposes that are within the meaning of section 501(c)(3) of the	709
Internal Revenue Code, as the court determines is best to	710
accomplish the exempt purposes of the nonprofit corporation.	711
Section 2. That existing sections 303.211, 519.211, 1509.02,	712
1509.03, 1509.06, 1509.23, 1509.31, and 1510.11 and section	713
1509.39 of the Revised Code are hereby repealed.	714