As Introduced

127th General Assembly Regular Session 2007-2008

H. B. No. 583

Representative Schindel

Cosponsors: Representatives Harwood, Chandler, Patton, Stebelton

A BILL

Го	amend section 1509.06 and to enact section	1
	1509.073 of the Revised Code to establish certain	2
	notification and noise requirements for the	3
	drilling of an oil or gas well and to authorize	4
	the Chief of the Division of Mineral Resources	5
	Management in the Department of Natural Resources	6
	to deny a permit for the drilling of an oil or gas	7
	well based on past violations of the Oil and Gas	8
	Law by the permit applicant.	9

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

Section 1. That section 1509.06 be amended and section	10
1509.073 of the Revised Code be enacted to read as follows:	11
Sec. 1509.06. (A) An application for a permit to drill a new	12
well, drill an existing well deeper, reopen a well, convert a well	13
to any use other than its original purpose, or plug back a well to	14
a different source of supply shall be filed with the chief of the	15
division of mineral resources management upon such form as the	16
chief prescribes and shall contain each of the following that is	17
applicable:	18
(1) The name and address of the owner and, if a corporation,	19

the name and address of the statutory agent;	20
(2) The signature of the owner or the owner's authorized	21
agent. When an authorized agent signs an application, it shall be	22
accompanied by a certified copy of the appointment as such agent.	23
(3) The names and addresses of all persons holding the	24
royalty interest in the tract upon which the well is located or is	25
to be drilled or within a proposed drilling unit;	26
(4) The location of the tract or drilling unit on which the	27
well is located or is to be drilled identified by section or lot	28
number, city, village, township, and county;	29
(5) Designation of the well by name and number;	30
(6) The geological formation to be tested or used and the	31
proposed total depth of the well;	32
(7) The type of drilling equipment to be used;	33
(8) If the well is for the injection of a liquid, identity of	34
the geological formation to be used as the injection zone and the	35
composition of the liquid to be injected;	36
(9) For an application for a permit to drill a new well, a	37
sworn statement that the applicant has provided notice of the	38
application to the owner of each occupied dwelling unit that is	39
located within five hundred feet of the surface location of the	40
well if the surface location will be less than five hundred feet	41
from the boundary of the drilling unit and more than fifteen	42
occupied dwelling units are located less than five hundred feet	43
from the surface location of the well, excluding any dwelling that	44
is located on real property all or any portion of which is	45
included in the drilling unit. The notice shall contain a	46
statement that an application has been filed with the division of	47
mineral resources management, identify the name of the applicant	48
and the proposed well location, include the name and address of	49

the division, and contain a statement that comments regarding the	50
application may be sent to the division. The notice may be	51
provided by hand delivery or regular mail. The identity of the	52
owners of occupied dwelling units shall be determined using the	53
tax records of the municipal corporation or county in which the	54
dwelling unit is located as of the date of the notice.	55

- (10) 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
 of the Revised Code and any rules adopted by the chief pertaining
 to that restoration.
- (11) 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
 the well site;
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- (12) Such other relevant information as the chief prescribes 65 by rule. 66

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Each application shall be accompanied by a map, on a scale not smaller than four hundred feet to the inch, prepared by an Ohio registered surveyor, showing the location of the well and containing such other data as may be prescribed by the chief. If the well is or is to be located within the excavations and workings of a mine, the map also shall include the location of the mine, the name of the mine, and the name of the person operating the mine.

(B) The chief shall cause a copy of the weekly circular 75 prepared by the division to be provided to the county engineer of 76 each county that contains active or proposed drilling activity. 77 The weekly circular shall contain, in the manner prescribed by the 78 chief, the names of all applicants for permits, the location of 79 each well or proposed well, the information required by division 80

(A)(11) of this section, and any additional information the chief	81
prescribes. In addition, the chief promptly shall transfer an	82
electronic copy or facsimile, or if those methods are not	83
available to a municipal corporation or township, a copy via	84
regular mail, of a drilling permit application to the clerk of the	85
legislative authority of the municipal corporation or to the clerk	86
of the township in which the well or proposed well is or is to be	87
located if the legislative authority of the municipal corporation	88
or the board of township trustees has asked to receive copies of	89
such applications and the appropriate clerk has provided the chief	90
an accurate, current electronic mailing address or facsimile	91
number, as applicable.	92

- (C) The chief shall not issue a permit for at least ten days
 after the date of filing of the application for the permit unless,
 upon reasonable cause shown, the chief waives that period or a
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 request for expedited review is filed under this section. However,
 the chief shall issue a permit within twenty-one days of the
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 filing of the application unless the chief denies the application
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 by order.
- (D) An applicant may file a request with the chief for 100 expedited review of a permit application if the well is not or is 101 not to be located in a gas storage reservoir or reservoir 102 protective area, as "reservoir protective area" is defined in 103 section 1571.01 of the Revised Code. If the well is or is to be 104 located in a coal bearing township, the application shall be 105 accompanied by the affidavit of the landowner prescribed in 106 section 1509.08 of the Revised Code. 107

In addition to a complete application for a permit that meets
the requirements of this section and the permit fee prescribed by
this section, a request for expedited review shall be accompanied
by a separate nonrefundable filing fee of five hundred dollars.

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Upon the filing of a request for expedited review, the chief shall

cause the county engineer of the county in which the well is or is	113
to be located to be notified of the filing of the permit	114
application and the request for expedited review by telephone or	115
other means that in the judgment of the chief will provide timely	116
notice of the application and request. The chief shall issue a	117
permit within seven days of the filing of the request unless the	118
chief denies the application by order. Notwithstanding the	119
provisions of this section governing expedited review of permit	120
applications, the chief may refuse to accept requests for	121
expedited review if, in the chief's judgment, the acceptance of	122
the requests would prevent the issuance, within twenty-one days of	123
their filing, of permits for which applications are pending.	124

- (E) A well shall be drilled and operated in accordance with 125 the plans, sworn statements, and other information submitted in 126 the approved application.
- (F) The chief shall issue an order denying a permit if the 128 chief finds that there is a substantial risk that the operation 129 will result in violations of this chapter or rules adopted under 130 it that will present an imminent danger to public health or safety 131 or damage to the environment, provided that where the chief finds 132 that terms or conditions to the permit can reasonably be expected 133 to prevent such violations, the chief shall issue the permit 134 subject to those terms or conditions, including, if applicable, 135 terms and conditions regarding subjects identified in rules 136 adopted under section 1509.03 of the Revised Code. The chief also 137 may issue an order denying a permit if the chief finds that the 138 applicant for the permit has a history of violations of this 139 <u>chapter and rules adopted under it.</u> 140
- (G) Each application for a permit required by section 1509.05

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 of the Revised Code, except an application to plug back an

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 existing well that is required by that section and an application

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 for a well drilled or reopened for purposes of section 1509.22 of

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the Revised Code, also shall be accompanied by a nonrefundable fee	145
as follows:	146
(1) Two hundred fifty dollars for a permit to conduct	147
activities in a township with a population of fewer than five	148
thousand;	149
(2) Five hundred dollars for a permit to conduct activities	150
in a township with a population of five thousand or more, but	151
fewer than ten thousand;	152
(3) Seven hundred fifty dollars for a permit to conduct	153
activities in a township with a population of ten thousand or	154
more, but fewer than fifteen thousand;	155
(4) One thousand dollars for a permit to conduct activities	156
in either of the following:	157
(a) A township with a population of fifteen thousand or more;	158
(b) A municipal corporation regardless of population.	159
For purposes of calculating fee amounts, populations shall be	160
determined using the most recent federal decennial census.	161
Each application for the revision or reissuance of a permit	162
shall be accompanied by a nonrefundable fee of two hundred fifty	163
dollars.	164
(H) The chief may order the immediate suspension of drilling,	165
operating, or plugging activities after finding that any person is	166
causing, engaging in, or maintaining a condition or activity that	167
in the chief's judgment presents an imminent danger to public	168
health or safety or results in or is likely to result in immediate	169
substantial damage to natural resources or for nonpayment of a fee	170
required by this section. The chief may order the immediate	171
suspension of the drilling or reopening of a well in a coal	172
bearing township after determining that the drilling or reopening	173
activities present an imminent and substantial threat to public	174

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health or safety or to miners' health or safety. Before issuing

any such order, the chief shall notify the owner in such manner as	176
in the chief's judgment would provide reasonable notification that	177
the chief intends to issue a suspension order. The chief may issue	178
such an order without prior notification if reasonable attempts to	179
notify the owner have failed, but in such an event notification	180
shall be given as soon thereafter as practical. Within five	181
calendar days after the issuance of the order, the chief shall	182
provide the owner an opportunity to be heard and to present	183
evidence that the condition or activity is not likely to result in	184
immediate substantial damage to natural resources or does not	185
present an imminent danger to public health or safety or to	186
miners' health or safety, if applicable. In the case of activities	187
in a coal bearing township, if the chief, after considering	188
evidence presented by the owner, determines that the activities do	189
not present such a threat, the chief shall revoke the suspension	190
order. Notwithstanding any provision of this chapter, the owner	191
may appeal a suspension order directly to the court of common	192
pleas of the county in which the activity is located or, if in a	193
coal bearing township, to the reclamation commission under section	194
1513.13 of the Revised Code.	195
Sec. 1509.073. (A) An owner that is issued a permit to drill	196
a well under this chapter shall provide written notice of the date	197
and time of the proposed drilling to a resident of each dwelling	198
that is located within five hundred feet of the well and to the	199
fire department with territorial jurisdiction over the well's	200
location.	201
(B) An owner that is issued a permit to drill a well under	202
this chapter shall not allow the noise from the drilling operation	203
to exceed one hundred twenty decibels if the well is located	204
within two hundred feet of a multiple unit dwelling with at least	205
three units, a hospital as defined in section 3727.01 of the	206

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Revised Code, or a nursing home as defined in that section.	207
Section 2. That existing section 1509.06 of the Revised Code	208
is hereby repealed.	209