

As Introduced

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H. B. No. 591

Representative Williams, B.

Cosponsors: Representatives Brown, Skindell, Yuko, Fende

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A B I L L

To amend sections 1509.06, 1509.072, and 1509.31 of
the Revised Code to establish additional public
notice and public meeting requirements concerning
applications for certain permits for oil or gas
wells.

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

Section 1. That sections 1509.06, 1509.072, and 1509.31 of
the Revised Code be amended to read as follows:

Sec. 1509.06. (A) An application for a permit to drill a new
well, drill an existing well deeper, reopen a well, convert a well
to any use other than its original purpose, or plug back a well to
a different source of supply shall be filed with the chief of the
division of mineral resources management upon such form as the
chief prescribes and shall contain each of the following that is
applicable:

(1) The name and address of the owner and, if a corporation,
the name and address of the statutory agent;

(2) The signature of the owner or the owner's authorized
agent. When an authorized agent signs an application, it shall be
accompanied by a certified copy of the appointment as such agent.

(3) The names and addresses of all persons holding the 20
royalty interest in the tract upon which the well is located or is 21
to be drilled or within a proposed drilling unit; 22

(4) The location of the tract or drilling unit on which the 23
well is located or is to be drilled identified by section or lot 24
number, city, village, township, and county; 25

(5) Designation of the well by name and number; 26

(6) The geological formation to be tested or used and the 27
proposed total depth of the well; 28

(7) The type of drilling equipment to be used; 29

(8) If the well is for the injection of a liquid, identity of 30
the geological formation to be used as the injection zone and the 31
composition of the liquid to be injected; 32

(9) For an application for a permit to drill a new well or 33
reopen a well, a sworn statement that the applicant has provided 34
notice of the application to the ~~owner~~ owners of ~~each~~ all occupied 35
dwelling ~~unit~~ units that ~~is~~ are located within ~~five hundred feet a~~ 36
one-thousand-foot radius of the surface location of the well ~~if~~ 37
~~the surface location will be less than five hundred feet from the~~ 38
~~boundary of the drilling unit and more than fifteen occupied~~ 39
~~dwelling units are located less than five hundred feet from the~~ 40
~~surface location of the well, excluding any dwelling that is~~ 41
~~located on real property all or any portion of which is included~~ 42
~~in the drilling unit or proposed well and has provided notice of~~ 43
the application to the clerk of the legislative authority of the 44
municipal corporation or the clerk of the township in which the 45
well is or is to be located. The notice shall contain a statement 46
that an application has been or will be filed with the division of 47
mineral resources management, identify the name of the applicant 48
and the ~~proposed~~ well location or proposed location, include the 49
name and address of the division, ~~and~~ contain a statement that 50

comments regarding the application may be sent to the division, 51
and include the date, time, and location of the public meeting to 52
be held concerning the application that is required in this 53
section. The notice ~~may~~ shall be provided by ~~hand delivery or~~ 54
~~regular certified~~ mail and shall be provided not more than 55
forty-five nor less than ten days prior to the public meeting that 56
is required to be held concerning the application. The identity of 57
the owners of occupied dwelling units shall be determined using 58
the tax records of the municipal corporation or county in which 59
the dwelling unit is located as of the date of the notice. 60

(10) For an application for a permit to drill a new well or 61
reopen a well, a sworn statement that the applicant has published 62
notice of the application in a newspaper of general circulation in 63
the county in which the well is or is to be located. The notice 64
shall contain the same information that is contained in the notice 65
provided under division (A)(9) of this section and shall be 66
published not more than forty-five nor less than ten days prior to 67
the public meeting that is required to be held concerning the 68
application. 69

(11) A plan for restoration of the land surface disturbed by 70
drilling operations. The plan shall provide for compliance with 71
the restoration requirements of division (A) of section 1509.072 72
of the Revised Code and any rules adopted by the chief pertaining 73
to that restoration. 74

~~(11)~~(12) A description by name or number of the county, 75
township, and municipal corporation roads, streets, and highways 76
that the applicant anticipates will be used for access to and 77
egress from the well site; 78

~~(12)~~(13) Such other relevant information as the chief 79
prescribes by rule. 80

Each application shall be accompanied by a map, on a scale 81

not smaller than four hundred feet to the inch, prepared by an 82
Ohio registered surveyor, showing the location of the well and 83
containing such other data as may be prescribed by the chief. If 84
the well is or is to be located within the excavations and 85
workings of a mine, the map also shall include the location of the 86
mine, the name of the mine, and the name of the person operating 87
the mine. 88

(B) The chief shall cause a copy of the weekly circular 89
prepared by the division to be provided to the county engineer of 90
each county that contains active or proposed drilling activity. 91
The weekly circular shall contain, in the manner prescribed by the 92
chief, the names of all applicants for permits, the location of 93
each well or proposed well, the information required by division 94
(A)~~(11)~~(12) of this section, and any additional information the 95
chief prescribes. In addition, the chief promptly shall transfer 96
an electronic copy or facsimile, or if those methods are not 97
available to a municipal corporation or township, a copy via 98
regular mail, of a drilling permit application to the clerk of the 99
legislative authority of the municipal corporation or to the clerk 100
of the township in which the well or proposed well is or is to be 101
located if the legislative authority of the municipal corporation 102
or the board of township trustees has asked to receive copies of 103
such applications and the appropriate clerk has provided the chief 104
an accurate, current electronic mailing address or facsimile 105
number, as applicable. 106

(C) With respect to an application for a permit to drill a 107
new well or reopen a well, not more than thirty days nor less than 108
ten days after the filing of the application, the chief shall 109
conduct a public meeting concerning the application for the 110
permit. The meeting shall be conducted in a manner determined 111
appropriate by the chief. The meeting shall be held within the 112
county in which the well is or is to be located and shall be held 113

on the date and at the time and location specified in the notice 114
provided under division (A)(9) of this section. 115

(D) The chief shall not issue a permit for at least ten days 116
after the date of filing of the application for the permit or, if 117
applicable, at least ten days after the public meeting held 118
concerning the application for the permit unless, upon reasonable 119
cause shown, the chief waives that period or a request for 120
expedited review is filed under this section. However, the chief 121
shall issue a permit within twenty-one days of the filing of the 122
application or public meeting, as applicable, unless the chief 123
denies the application by order. 124

~~(D)~~(E) An applicant may file a request with the chief for 125
expedited review of a permit application if the well is not or is 126
not to be located in a gas storage reservoir or reservoir 127
protective area, as "reservoir protective area" is defined in 128
section 1571.01 of the Revised Code. If the well is or is to be 129
located in a coal bearing township, the application shall be 130
accompanied by the affidavit of the landowner prescribed in 131
section 1509.08 of the Revised Code. 132

In addition to a complete application for a permit that meets 133
the requirements of this section and the permit fee prescribed by 134
this section, a request for expedited review shall be accompanied 135
by a separate nonrefundable filing fee of five hundred dollars. 136
Upon the filing of a request for expedited review, the chief shall 137
cause the county engineer of the county in which the well is or is 138
to be located to be notified of the filing of the permit 139
application and the request for expedited review by telephone or 140
other means that in the judgment of the chief will provide timely 141
notice of the application and request. The chief shall issue a 142
permit within seven days of the filing of the request or, if 143
applicable, within seven days of the public meeting held 144
concerning the application for the permit unless the chief denies 145

the application by order. Notwithstanding the provisions of this 146
section governing expedited review of permit applications, the 147
chief may refuse to accept requests for expedited review if, in 148
the chief's judgment, the acceptance of the requests would prevent 149
the issuance, within twenty-one days of their filing or a public 150
meeting, as applicable, of permits for which applications are 151
pending. 152

~~(E)~~(F) A well shall be drilled and operated in accordance 153
with the plans, sworn statements, and other information submitted 154
in the approved application. 155

~~(F)~~(G) The chief shall issue an order denying a permit if the 156
chief finds that there is a substantial risk that the operation 157
will result in violations of this chapter or rules adopted under 158
it that will present an imminent danger to public health or safety 159
or damage to the environment, provided that where the chief finds 160
that terms or conditions to the permit can reasonably be expected 161
to prevent such violations, the chief shall issue the permit 162
subject to those terms or conditions, including, if applicable, 163
terms and conditions regarding subjects identified in rules 164
adopted under section 1509.03 of the Revised Code. 165

~~(G)~~(H) Each application for a permit required by section 166
1509.05 of the Revised Code, except an application to plug back an 167
existing well that is required by that section and an application 168
for a well drilled or reopened for purposes of section 1509.22 of 169
the Revised Code, also shall be accompanied by a nonrefundable fee 170
as follows: 171

(1) Two hundred fifty dollars for a permit to conduct 172
activities in a township with a population of fewer than five 173
thousand; 174

(2) Five hundred dollars for a permit to conduct activities 175
in a township with a population of five thousand or more, but 176

fewer than ten thousand;	177
(3) Seven hundred fifty dollars for a permit to conduct	178
activities in a township with a population of ten thousand or	179
more, but fewer than fifteen thousand;	180
(4) One thousand dollars for a permit to conduct activities	181
in either of the following:	182
(a) A township with a population of fifteen thousand or more;	183
(b) A municipal corporation regardless of population.	184
For purposes of calculating fee amounts, populations shall be	185
determined using the most recent federal decennial census.	186
Each application for the revision or reissuance of a permit	187
shall be accompanied by a nonrefundable fee of two hundred fifty	188
dollars.	189
(H) <u>(I)</u> The chief may order the immediate suspension of	190
drilling, operating, or plugging activities after finding that any	191
person is causing, engaging in, or maintaining a condition or	192
activity that in the chief's judgment presents an imminent danger	193
to public health or safety or results in or is likely to result in	194
immediate substantial damage to natural resources or for	195
nonpayment of a fee required by this section. The chief may order	196
the immediate suspension of the drilling or reopening of a well in	197
a coal bearing township after determining that the drilling or	198
reopening activities present an imminent and substantial threat to	199
public health or safety or to miners' health or safety. Before	200
issuing any such order, the chief shall notify the owner in such	201
manner as in the chief's judgment would provide reasonable	202
notification that the chief intends to issue a suspension order.	203
The chief may issue such an order without prior notification if	204
reasonable attempts to notify the owner have failed, but in such	205
an event notification shall be given as soon thereafter as	206
practical. Within five calendar days after the issuance of the	207

order, the chief shall provide the owner an opportunity to be 208
heard and to present evidence that the condition or activity is 209
not likely to result in immediate substantial damage to natural 210
resources or does not present an imminent danger to public health 211
or safety or to miners' health or safety, if applicable. In the 212
case of activities in a coal bearing township, if the chief, after 213
considering evidence presented by the owner, determines that the 214
activities do not present such a threat, the chief shall revoke 215
the suspension order. Notwithstanding any provision of this 216
chapter, the owner may appeal a suspension order directly to the 217
court of common pleas of the county in which the activity is 218
located or, if in a coal bearing township, to the reclamation 219
commission under section 1513.13 of the Revised Code. 220

Sec. 1509.072. No oil or gas well owner or agent of an oil or 221
gas well owner shall fail to restore the land surface within the 222
area disturbed in siting, drilling, completing, and producing the 223
well as required in this section. 224

(A) Within five months after the date upon which the surface 225
drilling of a well is commenced, the owner or the owner's agent, 226
in accordance with the restoration plan filed under division 227
(A) ~~(10)~~ (11) of section 1509.06 of the Revised Code, shall fill all 228
the pits for containing brine, other waste substances resulting, 229
obtained, or produced in connection with exploration or drilling 230
for, or production of, oil or gas, or oil that are not required by 231
other state or federal law or regulation, and remove all concrete 232
bases, drilling supplies, and drilling equipment. Within nine 233
months after the date upon which the surface drilling of a well is 234
commenced, the owner or the owner's agent shall grade or terrace 235
and plant, seed, or sod the area disturbed that is not required in 236
production of the well where necessary to bind the soil and 237
prevent substantial erosion and sedimentation. If the chief of the 238
division of mineral resources management finds that a pit used for 239

containing brine, other waste substances, or oil is in violation 240
of section 1509.22 of the Revised Code or rules adopted or orders 241
issued under it, the chief may require the pit to be emptied and 242
closed before expiration of the five-month restoration period. 243

(B) Within six months after a well that has produced oil or 244
gas is plugged, or after the plugging of a dry hole, the owner or 245
the owner's agent shall remove all production and storage 246
structures, supplies, and equipment, and any oil, salt water, and 247
debris, and fill any remaining excavations. Within that period the 248
owner or the owner's agent shall grade or terrace and plant, seed, 249
or sod the area disturbed where necessary to bind the soil and 250
prevent substantial erosion and sedimentation. 251

The owner shall be released from responsibility to perform 252
any or all restoration requirements of this section on any part or 253
all of the area disturbed upon the filing of a request for a 254
waiver with and obtaining the written approval of the chief, which 255
request shall be signed by the surface owner to certify the 256
approval of the surface owner of the release sought. The chief 257
shall approve the request unless the chief finds upon inspection 258
that the waiver would be likely to result in substantial damage to 259
adjoining property, substantial contamination of surface or 260
underground water, or substantial erosion or sedimentation. 261

The chief, by order, may shorten the time periods provided 262
for under division (A) or (B) of this section if failure to 263
shorten the periods would be likely to result in damage to public 264
health or the waters or natural resources of the state. 265

The chief, upon written application by an owner or an owner's 266
agent showing reasonable cause, may extend the period within which 267
restoration shall be completed under divisions (A) and (B) of this 268
section, but not to exceed a further six-month period, except 269
under extraordinarily adverse weather conditions or when essential 270
equipment, fuel, or labor is unavailable to the owner or the 271

owner's agent. 272

If the chief refuses to approve a request for waiver or 273
extension, the chief shall do so by order. 274

Sec. 1509.31. Whenever the entire interest of an oil and gas 275
lease is assigned or otherwise transferred, the assignor or 276
transferor shall notify the holders of the royalty interests, and, 277
if a well or wells exist on the lease, the division of mineral 278
resources management, of the name and address of the assignee or 279
transferee by certified mail, return receipt requested, not later 280
than thirty days after the date of the assignment or transfer. 281
When notice of any such assignment or transfer is required to be 282
provided to the division, it shall be provided on a form 283
prescribed and provided by the division and verified by both the 284
assignor or transferor and by the assignee or transferee. The 285
notice form applicable to assignments or transfers of a well to 286
the owner of the surface estate of the tract on which the well is 287
located shall contain a statement informing the landowner that the 288
well may require periodic servicing to maintain its productivity; 289
that, upon assignment or transfer of the well to the landowner, 290
the landowner becomes responsible for compliance with the 291
requirements of this chapter and rules adopted under it, 292
including, without limitation, the proper disposal of brine 293
obtained from the well, the plugging of the well when it becomes 294
incapable of producing oil or gas, and the restoration of the well 295
site; and that, upon assignment or transfer of the well to the 296
landowner, the landowner becomes responsible for the costs of 297
compliance with the requirements of this chapter and rules adopted 298
under it and the costs for operating and servicing the well. 299

The owner holding a permit under section 1509.05 of the 300
Revised Code is responsible for all obligations and liabilities 301
imposed by this chapter and any rules, orders, and terms and 302

conditions of a permit adopted or issued under it, and no 303
assignment or transfer by the owner relieves the owner of the 304
obligations and liabilities until and unless the assignee or 305
transferee files with the division the information described in 306
divisions (A)(1), (2), (3), (4), (5), ~~(10)~~, (11), (12), and ~~(12)~~ 307
(13) of section 1509.06 of the Revised Code; obtains liability 308
insurance coverage required by section 1509.07 of the Revised 309
Code, except when none is required by that section; and executes 310
and files a surety bond, negotiable certificates of deposit or 311
irrevocable letters of credit, or cash, as described in that 312
section. Instead of a bond, but only upon acceptance by the chief 313
of the division of mineral resources management, the assignee or 314
transferee may file proof of financial responsibility, described 315
in section 1509.07 of the Revised Code. Section 1509.071 of the 316
Revised Code applies to the surety bond, cash, and negotiable 317
certificates of deposit and irrevocable letters of credit 318
described in this section. Unless the chief approves a 319
modification, each assignee or transferee shall operate in 320
accordance with the plans and information filed by the permit 321
holder pursuant to section 1509.06 of the Revised Code. 322

Section 2. That existing sections 1509.06, 1509.072, and 323
1509.31 of the Revised Code are hereby repealed. 324