

**As Introduced**

**128th General Assembly  
Regular Session  
2009-2010**

**H. B. No. 107**

**Representative Jordan**

**Cosponsors: Representatives Adams, J., Balderson, Batchelder, Boose,  
Burke, Grossman, Hall, Hite, Huffman, Mandel, Martin, Mecklenborg, Morgan,  
Snitchler, Stebelton, Uecker**

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**A B I L L**

To amend section 123.01, to enact sections 131.50, 1  
1509.50, 1509.51, 1509.52, 1509.53, and 1509.54, 2  
and to repeal sections 5119.40, 5120.12, and 3  
5123.23 of the Revised Code to create the Oil and 4  
Gas Leasing Board and to establish a procedure by 5  
which the Board may enter into leases for oil and 6  
gas production on land owned or under the control 7  
of a state agency for the purpose of providing 8  
funding for capital and operating costs for the 9  
agency. 10

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

**Section 1.** That section 123.01 be amended and sections 11  
131.50, 1509.50, 1509.51, 1509.52, 1509.53, and 1509.54 of the 12  
Revised Code be enacted to read as follows: 13

**Sec. 123.01.** (A) The department of administrative services, 14  
in addition to those powers enumerated in Chapters 124. and 125. 15  
of the Revised Code and provided elsewhere by law, shall exercise 16  
the following powers: 17

(1) To prepare, or contract to be prepared, by licensed engineers or architects, surveys, general and detailed plans, specifications, bills of materials, and estimates of cost for any projects, improvements, or public buildings to be constructed by state agencies that may be authorized by legislative appropriations or any other funds made available therefor, provided that the construction of the projects, improvements, or public buildings is a statutory duty of the department. This section does not require the independent employment of an architect or engineer as provided by section 153.01 of the Revised Code in the cases to which that section applies nor affect or alter the existing powers of the director of transportation.

(2) To have general supervision over the construction of any projects, improvements, or public buildings constructed for a state agency and over the inspection of materials previous to their incorporation into those projects, improvements, or buildings;

(3) To make contracts for and supervise the construction of any projects and improvements or the construction and repair of buildings under the control of a state agency, except contracts for the repair of buildings under the management and control of the departments of public safety, job and family services, mental health, mental retardation and developmental disabilities, rehabilitation and correction, and youth services, the bureau of workers' compensation, the rehabilitation services commission, and boards of trustees of educational and benevolent institutions and except contracts for the construction of projects that do not require the issuance of a building permit or the issuance of a certificate of occupancy and that are necessary to remediate conditions at a hazardous waste facility, solid waste facility, or other location at which the director of environmental protection has reason to believe there is a substantial threat to public

health or safety or the environment. These contracts shall be made 50  
and entered into by the directors of public safety, job and family 51  
services, mental health, mental retardation and developmental 52  
disabilities, rehabilitation and correction, and youth services, 53  
the administrator of workers' compensation, the rehabilitation 54  
services commission, the boards of trustees of such institutions, 55  
and the director of environmental protection, respectively. All 56  
such contracts may be in whole or in part on unit price basis of 57  
maximum estimated cost, with payment computed and made upon actual 58  
quantities or units. 59

(4) To prepare and suggest comprehensive plans for the 60  
development of grounds and buildings under the control of a state 61  
agency; 62

(5) To acquire, by purchase, gift, devise, lease, or grant, 63  
all real estate required by a state agency, in the exercise of 64  
which power the department may exercise the power of eminent 65  
domain, in the manner provided by sections 163.01 to 163.22 of the 66  
Revised Code; 67

(6) To make and provide all plans, specifications, and models 68  
for the construction and perfection of all systems of sewerage, 69  
drainage, and plumbing for the state in connection with buildings 70  
and grounds under the control of a state agency; 71

(7) To erect, supervise, and maintain all public monuments 72  
and memorials erected by the state, except where the supervision 73  
and maintenance is otherwise provided by law; 74

(8) To procure, by lease, storage accommodations for a state 75  
agency; 76

(9) To lease or grant easements or licenses for unproductive 77  
and unused lands or other property under the control of a state 78  
agency. Such leases, easements, or licenses shall be granted for a 79  
period not to exceed fifteen years and shall be executed for the 80

state by the director of administrative services and the governor 81  
and shall be approved as to form by the attorney general, provided 82  
that leases, easements, or licenses may be granted to any county, 83  
township, municipal corporation, port authority, water or sewer 84  
district, school district, library district, health district, park 85  
district, soil and water conservation district, conservancy 86  
district, or other political subdivision or taxing district, or 87  
any agency of the United States government, for the exclusive use 88  
of that agency, political subdivision, or taxing district, without 89  
any right of sublease or assignment, for a period not to exceed 90  
fifteen years, and provided that the director shall grant leases, 91  
easements, or licenses of university land for periods not to 92  
exceed twenty-five years for purposes approved by the respective 93  
university's board of trustees wherein the uses are compatible 94  
with the uses and needs of the university and may grant leases of 95  
university land for periods not to exceed forty years for purposes 96  
approved by the respective university's board of trustees pursuant 97  
to section 123.77 of the Revised Code. 98

(10) To lease office space in buildings for the use of a 99  
state agency; 100

(11) To have general supervision and care of the storerooms, 101  
offices, and buildings leased for the use of a state agency; 102

(12) To exercise general custodial care of all real property 103  
of the state; 104

(13) To assign and group together state offices in any city 105  
in the state and to establish, in cooperation with the state 106  
agencies involved, rules governing space requirements for office 107  
or storage use; 108

(14) To lease for a period not to exceed forty years, 109  
pursuant to a contract providing for the construction thereof 110  
under a lease-purchase plan, buildings, structures, and other 111

improvements for any public purpose, and, in conjunction 112  
therewith, to grant leases, easements, or licenses for lands under 113  
the control of a state agency for a period not to exceed forty 114  
years. The lease-purchase plan shall provide that at the end of 115  
the lease period, the buildings, structures, and related 116  
improvements, together with the land on which they are situated, 117  
shall become the property of the state without cost. 118

(a) Whenever any building, structure, or other improvement is 119  
to be so leased by a state agency, the department shall retain 120  
either basic plans, specifications, bills of materials, and 121  
estimates of cost with sufficient detail to afford bidders all 122  
needed information or, alternatively, all of the following plans, 123  
details, bills of materials, and specifications: 124

(i) Full and accurate plans suitable for the use of mechanics 125  
and other builders in the improvement; 126

(ii) Details to scale and full sized, so drawn and 127  
represented as to be easily understood; 128

(iii) Accurate bills showing the exact quantity of different 129  
kinds of material necessary to the construction; 130

(iv) Definite and complete specifications of the work to be 131  
performed, together with such directions as will enable a 132  
competent mechanic or other builder to carry them out and afford 133  
bidders all needed information; 134

(v) A full and accurate estimate of each item of expense and 135  
of the aggregate cost thereof. 136

(b) The department shall give public notice, in such 137  
newspaper, in such form, and with such phraseology as the director 138  
of administrative services prescribes, published once each week 139  
for four consecutive weeks, of the time when and place where bids 140  
will be received for entering into an agreement to lease to a 141  
state agency a building, structure, or other improvement. The last 142

publication shall be at least eight days preceding the day for 143  
opening the bids. The bids shall contain the terms upon which the 144  
builder would propose to lease the building, structure, or other 145  
improvement to the state agency. The form of the bid approved by 146  
the department shall be used, and a bid is invalid and shall not 147  
be considered unless that form is used without change, alteration, 148  
or addition. Before submitting bids pursuant to this section, any 149  
builder shall comply with Chapter 153. of the Revised Code. 150

(c) On the day and at the place named for receiving bids for 151  
entering into lease agreements with a state agency, the director 152  
of administrative services shall open the bids and shall publicly 153  
proceed immediately to tabulate the bids upon duplicate sheets. No 154  
lease agreement shall be entered into until the bureau of workers' 155  
compensation has certified that the person to be awarded the lease 156  
agreement has complied with Chapter 4123. of the Revised Code, 157  
until, if the builder submitting the lowest and best bid is a 158  
foreign corporation, the secretary of state has certified that the 159  
corporation is authorized to do business in this state, until, if 160  
the builder submitting the lowest and best bid is a person 161  
nonresident of this state, the person has filed with the secretary 162  
of state a power of attorney designating the secretary of state as 163  
its agent for the purpose of accepting service of summons in any 164  
action brought under Chapter 4123. of the Revised Code, and until 165  
the agreement is submitted to the attorney general and the 166  
attorney general's approval is certified thereon. Within thirty 167  
days after the day on which the bids are received, the department 168  
shall investigate the bids received and shall determine that the 169  
bureau and the secretary of state have made the certifications 170  
required by this section of the builder who has submitted the 171  
lowest and best bid. Within ten days of the completion of the 172  
investigation of the bids, the department shall award the lease 173  
agreement to the builder who has submitted the lowest and best bid 174  
and who has been certified by the bureau and secretary of state as 175

required by this section. If bidding for the lease agreement has 176  
been conducted upon the basis of basic plans, specifications, 177  
bills of materials, and estimates of costs, upon the award to the 178  
builder the department, or the builder with the approval of the 179  
department, shall appoint an architect or engineer licensed in 180  
this state to prepare such further detailed plans, specifications, 181  
and bills of materials as are required to construct the building, 182  
structure, or improvement. The department shall adopt such rules 183  
as are necessary to give effect to this section. The department 184  
may reject any bid. Where there is reason to believe there is 185  
collusion or combination among bidders, the bids of those 186  
concerned therein shall be rejected. 187

(15) To acquire by purchase, gift, devise, or grant and to 188  
transfer, lease, or otherwise dispose of all real property 189  
required to assist in the development of a conversion facility as 190  
defined in section 5709.30 of the Revised Code as that section 191  
existed before its repeal by Amended Substitute House Bill 95 of 192  
the 125th general assembly; 193

(16) To lease for a period not to exceed forty years, 194  
notwithstanding any other division of this section, the 195  
state-owned property located at 408-450 East Town Street, 196  
Columbus, Ohio, formerly the state school for the deaf, to a 197  
developer in accordance with this section. "Developer," as used in 198  
this section, has the same meaning as in section 123.77 of the 199  
Revised Code. 200

Such a lease shall be for the purpose of development of the 201  
land for use by senior citizens by constructing, altering, 202  
renovating, repairing, expanding, and improving the site as it 203  
existed on June 25, 1982. A developer desiring to lease the land 204  
shall prepare for submission to the department a plan for 205  
development. Plans shall include provisions for roads, sewers, 206  
water lines, waste disposal, water supply, and similar matters to 207

meet the requirements of state and local laws. The plans shall 208  
also include provision for protection of the property by insurance 209  
or otherwise, and plans for financing the development, and shall 210  
set forth details of the developer's financial responsibility. 211

The department may employ, as employees or consultants, 212  
persons needed to assist in reviewing the development plans. Those 213  
persons may include attorneys, financial experts, engineers, and 214  
other necessary experts. The department shall review the 215  
development plans and may enter into a lease if it finds all of 216  
the following: 217

(a) The best interests of the state will be promoted by 218  
entering into a lease with the developer; 219

(b) The development plans are satisfactory; 220

(c) The developer has established the developer's financial 221  
responsibility and satisfactory plans for financing the 222  
development. 223

The lease shall contain a provision that construction or 224  
renovation of the buildings, roads, structures, and other 225  
necessary facilities shall begin within one year after the date of 226  
the lease and shall proceed according to a schedule agreed to 227  
between the department and the developer or the lease will be 228  
terminated. The lease shall contain such conditions and 229  
stipulations as the director considers necessary to preserve the 230  
best interest of the state. Moneys received by the state pursuant 231  
to this lease shall be paid into the general revenue fund. The 232  
lease shall provide that at the end of the lease period the 233  
buildings, structures, and related improvements shall become the 234  
property of the state without cost. 235

~~(17) To lease to any person any tract of land owned by the 236  
state and under the control of the department, or any part of such 237  
a tract, for the purpose of drilling for or the pooling of oil or 238~~



~~gas. Such a lease shall be granted for a period not exceeding 239  
forty years, with the full power to contract for, determine the 240  
conditions governing, and specify the amount the state shall 241  
receive for the purposes specified in the lease, and shall be 242  
prepared as in other cases. 243~~

~~(18) To manage the use of space owned and controlled by the 244  
department, including space in property under the jurisdiction of 245  
the Ohio building authority, by doing all of the following: 246~~

~~(a) Biennially implementing, by state agency location, a 247  
census of agency employees assigned space; 248~~

~~(b) Periodically in the discretion of the director of 249  
administrative services: 250~~

~~(i) Requiring each state agency to categorize the use of 251  
space allotted to the agency between office space, common areas, 252  
storage space, and other uses, and to report its findings to the 253  
department; 254~~

~~(ii) Creating and updating a master space utilization plan 255  
for all space allotted to state agencies. The plan shall 256  
incorporate space utilization metrics. 257~~

~~(iii) Conducting a cost-benefit analysis to determine the 258  
effectiveness of state-owned buildings; 259~~

~~(iv) Assessing the alternatives associated with consolidating 260  
the commercial leases for buildings located in Columbus. 261~~

~~(c) Commissioning a comprehensive space utilization and 262  
capacity study in order to determine the feasibility of 263  
consolidating existing commercially leased space used by state 264  
agencies into a new state-owned facility. 265~~

~~(B) This section and section 125.02 of the Revised Code shall 266  
not interfere with any of the following: 267~~

~~(1) The power of the adjutant general to purchase military 268~~

supplies, or with the custody of the adjutant general of property 269  
leased, purchased, or constructed by the state and used for 270  
military purposes, or with the functions of the adjutant general 271  
as director of state armories; 272

(2) The power of the director of transportation in acquiring 273  
rights-of-way for the state highway system, or the leasing of 274  
lands for division or resident district offices, or the leasing of 275  
lands or buildings required in the maintenance operations of the 276  
department of transportation, or the purchase of real property for 277  
garage sites or division or resident district offices, or in 278  
preparing plans and specifications for and constructing such 279  
buildings as the director may require in the administration of the 280  
department; 281

(3) The power of the director of public safety and the 282  
registrar of motor vehicles to purchase or lease real property and 283  
buildings to be used solely as locations to which a deputy 284  
registrar is assigned pursuant to division (B) of section 4507.011 285  
of the Revised Code and from which the deputy registrar is to 286  
conduct the deputy registrar's business, the power of the director 287  
of public safety to purchase or lease real property and buildings 288  
to be used as locations for division or district offices as 289  
required in the maintenance of operations of the department of 290  
public safety, and the power of the superintendent of the state 291  
highway patrol in the purchase or leasing of real property and 292  
buildings needed by the patrol, to negotiate the sale of real 293  
property owned by the patrol, to rent or lease real property owned 294  
or leased by the patrol, and to make or cause to be made repairs 295  
to all property owned or under the control of the patrol; 296

(4) The power of the division of liquor control in the 297  
leasing or purchasing of retail outlets and warehouse facilities 298  
for the use of the division; 299

(5) The power of the director of development to enter into 300

leases of real property, buildings, and office space to be used 301  
solely as locations for the state's foreign offices to carry out 302  
the purposes of section 122.05 of the Revised Code; 303

(6) The power of the director of environmental protection to 304  
enter into environmental covenants, to grant and accept easements, 305  
or to sell property pursuant to division (G) of section 3745.01 of 306  
the Revised Code. 307

(C) Purchases for, and the custody and repair of, buildings 308  
under the management and control of the capitol square review and 309  
advisory board, the rehabilitation services commission, the bureau 310  
of workers' compensation, or the departments of public safety, job 311  
and family services, mental health, mental retardation and 312  
developmental disabilities, and rehabilitation and correction, and 313  
buildings of educational and benevolent institutions under the 314  
management and control of boards of trustees, are not subject to 315  
the control and jurisdiction of the department of administrative 316  
services. 317

(D) Any instrument by which real property is acquired 318  
pursuant to this section shall identify the agency of the state 319  
that has the use and benefit of the real property as specified in 320  
section 5301.012 of the Revised Code. 321

Sec. 131.50. (A) There is hereby created in the state 322  
treasury the state land royalty fund consisting of money credited 323  
to it under section 1509.51 of the Revised Code. Any investment 324  
proceeds earned on money in the fund shall be credited to the fund 325  
and used as required in division (B) of this section. 326

(B) Money in the state land royalty fund shall be used to pay 327  
capital and operating costs of state agencies on whose behalf 328  
money has been contributed to the fund by the oil and gas leasing 329  
board under section 1509.51 of the Revised Code. Such a state 330  
agency is entitled to receive from the fund the amount contributed 331

on its behalf by the board and a share of the investment earnings 332  
of the fund in an amount that is equivalent to the proportionate 333  
share of contributions made on behalf of the state agency to the 334  
fund. 335

**Sec. 1509.50.** (A) It is the policy of the state to provide 336  
access to and support the exploration for, development of, and 337  
production of oil and natural gas resources owned or controlled by 338  
the state in an effort to stabilize energy prices for citizens of 339  
this state and to use the state's natural resources responsibly. 340

(B) There is hereby created the oil and gas leasing board 341  
consisting of the chief of the division of mineral resources 342  
management and the following four members appointed by the 343  
governor: 344

(1) Two members recommended by a statewide organization 345  
representing the oil and gas industry; 346

(2) One member representing a statewide environmental 347  
advocacy organization; 348

(3) One member representing the public. 349

(B) Of the initial members appointed to the board, one shall 350  
serve a term of two years, one shall serve a term of three years, 351  
one shall serve a term of four years, and one shall serve a term 352  
of five years. Thereafter, terms of office of members shall be for 353  
five years from the date of appointment. Each member appointed by 354  
the governor shall hold office from the date of appointment until 355  
the end of the term for which the member was appointed. The 356  
governor shall fill a vacancy occurring on the board by appointing 357  
a member within sixty days after the vacancy occurs. A member 358  
appointed to fill a vacancy occurring prior to the expiration of 359  
the term for which the member's predecessor was appointed shall 360  
hold office for the remainder of that term. A member shall 361

continue in office subsequent to the expiration date of the 362  
member's term until the member's successor takes office, or until 363  
a period of sixty days has elapsed, whichever occurs first. 364

(C) Three members constitute a quorum of the board, and no 365  
action of the board is valid unless it has the concurrence of at 366  
least three members. The board shall keep a record of its 367  
proceedings. The chief of the division of mineral resources 368  
management shall serve as the chairperson of the board. 369

(D) The governor may remove an appointed member from the 370  
board for inefficiency, malfeasance, misfeasance, or nonfeasance. 371

(E) Members of the board shall receive no compensation, but 372  
shall be reimbursed for their actual and necessary expenses 373  
incurred in the course of the performance of their duties as 374  
members of the board. 375

(F) The division of mineral resources management shall 376  
provide staff assistance to the board if requested by the board. 377

**Sec. 1509.51.** (A) As used in this section, "state agency" has 378  
the same meaning as in section 1.60 of the Revised Code. 379

(B) The oil and gas leasing board has exclusive authority to 380  
lease any parcel of land that is owned or controlled by a state 381  
agency for the purpose of exploring for and developing and 382  
producing oil and natural gas resources. A person that is an owner 383  
and that is interested in leasing a parcel of land that is owned 384  
or controlled by a state agency for the exploration for and the 385  
development and production of oil or natural gas may submit to the 386  
board a nomination that identifies the parcel of land. A person 387  
submitting a nomination shall submit it in the manner and form 388  
established in rules adopted under section 1509.52 of the Revised 389  
Code and shall include with the nomination the information 390  
required by those rules. 391

(C) Not later than thirty days after the receipt of a 392

nomination, the board shall conduct a meeting for the purpose of 393  
determining whether to enter into a lease for the parcel of land 394  
that is identified in the nomination. Not later than sixty days 395  
after the meeting, the board shall approve or disapprove the 396  
nomination. In making its decision to approve or disapprove the 397  
nomination, the board shall consider all of the following: 398

(1) The economic benefits, including the potential income 399  
from an oil or natural gas operation, that would result if the 400  
lease that is the subject of the nomination were approved; 401

(2) Whether the proposed oil or gas operation is compatible 402  
with the current uses of the parcel of land that is the subject of 403  
the nomination; 404

(3) Any objections to the nomination submitted to the board 405  
by the state agency that owns or controls the land on which the 406  
proposed oil or natural gas operation would take place; 407

(4) Any other factors that the board establishes in rules 408  
adopted under section 1509.52 of the Revised Code. 409

Prior to making its decision to approve or disapprove a 410  
nomination, the board shall notify the agency that owns or 411  
controls the land on which the oil or gas operation would take 412  
place. 413

The board shall approve or deny a nomination not later than 414  
ninety days after the receipt of the nomination. Notice of the 415  
decision of the board shall be sent by certified mail to the 416  
person that submitted the nomination. 417

(D) Each calendar quarter, the board shall proceed to 418  
advertise for bids for each lease that was the subject of a 419  
nomination approved during the previous calendar quarter. The 420  
advertisement shall be published on a web site that is maintained 421  
by the board and in a newspaper of general circulation in Franklin 422  
county and in each county in which the parcel of land that was the 423

subject of the nomination is located. The advertisement shall be 424  
published once a week for four consecutive weeks prior to the date 425  
that is established by the board for the submission of bids. The 426  
notice shall include all of the following: 427

(1) The procedure for the submission of a bid to enter into a 428  
lease for a parcel of land; 429

(2) A statement that a standard lease form that is consistent 430  
with the practices of the oil and natural gas industries will be 431  
used for the lease of the parcel of land; 432

(3) Instructions for obtaining a copy of the standard lease 433  
form that will be used for the lease of the parcel of land; 434

(4) A statement, if applicable, that special terms and 435  
conditions apply to the lease because of specific conditions 436  
related to the parcel of land. If such special terms and 437  
conditions apply to the lease, the statement shall include 438  
instructions for obtaining a copy of them. 439

(5) Any other information that the board considers pertinent 440  
to the advertisement for bids. 441

(E) In order to encourage the submission of bids and the 442  
responsible and reasonable development of the state's natural 443  
resources, the information that is contained in a bid submitted to 444  
the board under this section shall be confidential and shall not 445  
be disclosed. 446

(F) Not later than fifteen days after a deadline established 447  
by the board for the submission of bids for a particular parcel of 448  
land, bids received by the board shall be unsealed and opened on 449  
the date designated by the board. Not later than thirty days after 450  
the date on which the board unseals and opens the bids, the board 451  
shall enter into a lease under this section with the person who 452  
submits the highest and best bid for that parcel of land, taking 453  
into account the financial responsibility of the prospective 454

lessee and the ability of the prospective lessee to perform its 455  
obligations under the lease. 456

(G) All money received by the board in payment for leases 457  
entered into under this section shall be paid by the board into 458  
the state treasury to the credit of the state land royalty fund 459  
created in section 131.50 of the Revised Code, except money that 460  
is required to be credited to the oil and gas leasing board 461  
administration fund created in section 1509.53 of the Revised Code 462  
as required in rules adopted under section 1509.52 of the Revised 463  
Code. Money credited to the state land royalty fund shall be 464  
contributed on behalf of the state agency that owns or controls 465  
the parcel of land on which the drilling for oil or gas takes 466  
place. 467

Sec. 1509.52. The oil and gas leasing board shall adopt rules 468  
in accordance with Chapter 119. of the Revised Code establishing 469  
all of the following: 470

(A) The form of and the information to be included in 471  
nominations that are submitted under section 1509.51 of the 472  
Revised Code; 473

(B) Procedures for the submission of nominations to the 474  
board; 475

(C) Factors that the board may consider when determining 476  
whether to approve or disapprove a nomination submitted under 477  
section 1509.51 of the Revised Code; 478

(D) A standard lease form that is consistent with the 479  
practices of the oil and natural gas industries and that contains 480  
a one-eighth landowner royalty, which standard lease form shall be 481  
used by the board for leases entered into under section 1509.51 of 482  
the Revised Code; 483

(E) Factors that the board shall consider when determining 484



whether special terms and conditions of leases may be required for 485  
a particular parcel of land because of specific conditions related 486  
to the parcel and to the development of any oil or natural gas 487  
from the parcel; 488

(F) A percentage of the proceeds of each lease agreement that 489  
shall be credited to the oil and gas leasing board administration 490  
fund created in section 1509.53 of the Revised Code for the 491  
purpose of providing funding for the board's administrative 492  
expenses and actual and necessary expenses of the board members; 493

(G) Any other procedures and requirements that the board 494  
determines necessary to implement sections 1509.50 to 1509.54 of 495  
the Revised Code. 496

**Sec. 1509.53.** There is hereby created in the state treasury 497  
the oil and gas leasing board administration fund consisting of a 498  
percentage of the money derived from leases as provided in rules 499  
adopted under section 1509.52 of the Revised Code. Money in the 500  
fund shall be used by the oil and gas leasing board to pay the 501  
administrative expenses of the board and to pay the actual and 502  
necessary expenses incurred by members of the board in the course 503  
of the performance of their duties. 504

**Sec. 1509.54.** If a nomination to lease a parcel of land that 505  
is submitted under section 1509.51 of the Revised Code is 506  
disapproved by the oil and gas leasing board, the person that 507  
submitted the nomination may appeal the board's disapproval to the 508  
oil and gas commission for an order reversing the disapproval. The 509  
requirements and procedures established in section 1509.36 of the 510  
Revised Code that apply to an appeal of an order of the chief of 511  
the division of mineral resources management apply to appeals 512  
filed under this section. 513

**Section 2.** That existing section 123.01 and sections 5119.40, 514

5120.12, and 5123.23 of the Revised Code are hereby repealed. 515

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**Section 3.** A lease entered into under section 123.01, 517

155.011, 5119.40, 5120.12, or 5123.23 of the Revised Code as those 518

sections existed prior to their amendment or repeal by this act 519

shall remain in effect until the term of the lease expires as 520

provided in the lease. 521