

**As Introduced**

**130th General Assembly  
Regular Session  
2013-2014**

**S. B. No. 178**

**Senator Skindell**

—

**A B I L L**

To amend sections 1509.01, 1509.02, 1509.03, 1509.05, 1  
1509.06, 1509.08, 1509.21, 1509.22, 1509.222, 2  
1509.223, and 1509.224, to enact section 1509.051, 3  
and to repeal section 1509.226 of the Revised Code 4  
to prohibit land application and deep well 5  
injection of brine, to prohibit the conversion of 6  
wells, and to eliminate the injection fee that is 7  
levied under the Oil and Gas Law. 8

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

**Section 1.** That sections 1509.01, 1509.02, 1509.03, 1509.05, 9  
1509.06, 1509.08, 1509.21, 1509.22, 1509.222, 1509.223, and 10  
1509.224 be amended and section 1509.051 of the Revised Code be 11  
enacted to read as follows: 12

**Sec. 1509.01.** As used in this chapter: 13

(A) "Well" means any borehole, whether drilled or bored, 14  
within the state for production, extraction, or injection of any 15  
gas or liquid mineral, excluding potable water to be used as such, 16  
but including natural or artificial brines and oil field waters. 17

(B) "Oil" means crude petroleum oil and all other 18  
hydrocarbons, regardless of gravity, that are produced in liquid 19  
form by ordinary production methods, but does not include 20

hydrocarbons that were originally in a gaseous phase in the 21  
reservoir. 22

(C) "Gas" means all natural gas and all other fluid 23  
hydrocarbons that are not oil, including condensate. 24

(D) "Condensate" means liquid hydrocarbons separated at or 25  
near the well pad or along the gas production or gathering system 26  
prior to gas processing. 27

(E) "Pool" means an underground reservoir containing a common 28  
accumulation of oil or gas, or both, but does not include a gas 29  
storage reservoir. Each zone of a geological structure that is 30  
completely separated from any other zone in the same structure may 31  
contain a separate pool. 32

(F) "Field" means the general area underlaid by one or more 33  
pools. 34

(G) "Drilling unit" means the minimum acreage on which one 35  
well may be drilled, but does not apply to a well for injecting 36  
gas into or removing gas from a gas storage reservoir. 37

(H) "Waste" includes all of the following: 38

(1) Physical waste, as that term generally is understood in 39  
the oil and gas industry; 40

(2) Inefficient, excessive, or improper use, or the 41  
unnecessary dissipation, of reservoir energy; 42

(3) Inefficient storing of oil or gas; 43

(4) Locating, drilling, equipping, operating, or producing an 44  
oil or gas well in a manner that reduces or tends to reduce the 45  
quantity of oil or gas ultimately recoverable under prudent and 46  
proper operations from the pool into which it is drilled or that 47  
causes or tends to cause unnecessary or excessive surface loss or 48  
destruction of oil or gas; 49

(5) Other underground or surface waste in the production or 50

storage of oil, gas, or condensate, however caused. 51

(I) "Correlative rights" means the reasonable opportunity to 52  
every person entitled thereto to recover and receive the oil and 53  
gas in and under the person's tract or tracts, or the equivalent 54  
thereof, without having to drill unnecessary wells or incur other 55  
unnecessary expense. 56

(J) "Tract" means a single, individually taxed parcel of land 57  
appearing on the tax list. 58

(K) "Owner," unless referring to a mine, means the person who 59  
has the right to drill on a tract or drilling unit, to drill into 60  
and produce from a pool, and to appropriate the oil or gas 61  
produced therefrom either for the person or for others, except 62  
that a person ceases to be an owner with respect to a well when 63  
the well has been plugged in accordance with applicable rules 64  
adopted and orders issued under this chapter. "Owner" does not 65  
include a person who obtains a lease of the mineral rights for oil 66  
and gas on a parcel of land if the person does not attempt to 67  
produce or produce oil or gas from a well or obtain a permit under 68  
this chapter for a well or if the entire interest of a well is 69  
transferred to the person in accordance with division (B) of 70  
section 1509.31 of the Revised Code. 71

(L) "Royalty interest" means the fee holder's share in the 72  
production from a well. 73

(M) "Discovery well" means the first well capable of 74  
producing oil or gas in commercial quantities from a pool. 75

(N) "Prepared clay" means a clay that is plastic and is 76  
thoroughly saturated with fresh water to a weight and consistency 77  
great enough to settle through saltwater in the well in which it 78  
is to be used, except as otherwise approved by the chief of the 79  
division of oil and gas resources management. 80

(O) "Rock sediment" means the combined cutting and residue 81

from drilling sedimentary rocks and formation.	82
(P) "Excavations and workings," "mine," and "pillar" have the same meanings as in section 1561.01 of the Revised Code.	83 84
(Q) "Coal bearing township" means a township designated as such by the chief of the division of mineral resources management under section 1561.06 of the Revised Code.	85 86 87
(R) "Gas storage reservoir" means a continuous area of a subterranean porous sand or rock stratum or strata into which gas is or may be injected for the purpose of storing it therein and removing it therefrom and includes a gas storage reservoir as defined in section 1571.01 of the Revised Code.	88 89 90 91 92
(S) "Safe Drinking Water Act" means the "Safe Drinking Water Act," 88 Stat. 1661 (1974), 42 U.S.C.A. 300(f), as amended by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393, 42 U.S.C.A. 300(f), the "Safe Drinking Water Act Amendments of 1986," 100 Stat. 642, 42 U.S.C.A. 300(f), and the "Safe Drinking Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C.A. 300(f), and regulations adopted under those acts.	93 94 95 96 97 98 99
(T) "Person" includes any political subdivision, department, agency, or instrumentality of this state; the United States and any department, agency, or instrumentality thereof; and any legal entity defined as a person under section 1.59 of the Revised Code.	100 101 102 103
(U) "Brine" means all saline geological formation water resulting from, obtained from, or produced in connection with exploration, drilling, well stimulation, production of oil or gas, or plugging of a well.	104 105 106 107
(V) "Waters of the state" means all streams, lakes, ponds, marshes, watercourses, waterways, springs, irrigation systems, drainage systems, and other bodies of water, surface or underground, natural or artificial, that are situated wholly or partially within this state or within its jurisdiction, except	108 109 110 111 112

those private waters that do not combine or effect a junction with 113  
natural surface or underground waters. 114

(W) "Exempt Mississippian well" means a well that meets all 115  
of the following criteria: 116

(1) Was drilled and completed before January 1, 1980; 117

(2) Is located in an unglaciated part of the state; 118

(3) Was completed in a reservoir no deeper than the 119  
Mississippian Big Injun sandstone in areas underlain by 120  
Pennsylvanian or Permian stratigraphy, or the Mississippian Berea 121  
sandstone in areas directly underlain by Permian stratigraphy; 122

(4) Is used primarily to provide oil or gas for domestic use. 123

(X) "Exempt domestic well" means a well that meets all of the 124  
following criteria: 125

(1) Is owned by the owner of the surface estate of the tract 126  
on which the well is located; 127

(2) Is used primarily to provide gas for the owner's domestic 128  
use; 129

(3) Is located more than two hundred feet horizontal distance 130  
from any inhabited private dwelling house other than an inhabited 131  
private dwelling house located on the tract on which the well is 132  
located; 133

(4) Is located more than two hundred feet horizontal distance 134  
from any public building that may be used as a place of resort, 135  
assembly, education, entertainment, lodging, trade, manufacture, 136  
repair, storage, traffic, or occupancy by the public. 137

(Y) "Urbanized area" means an area where a well or production 138  
facilities of a well are located within a municipal corporation or 139  
within a township that has an unincorporated population of more 140  
than five thousand in the most recent federal decennial census 141  
prior to the issuance of the permit for the well or production 142

facilities.	143
(Z) "Well stimulation" or "stimulation of a well" means the process of enhancing well productivity, including hydraulic fracturing operations.	144 145 146
(AA) "Production operation" means all operations and activities and all related equipment, facilities, and other structures that may be used in or associated with the exploration and production of oil, gas, or other mineral resources that are regulated under this chapter, including operations and activities associated with site preparation, site construction, access road construction, well drilling, well completion, well stimulation, well site activities, reclamation, and plugging. "Production operation" also includes all of the following:	147 148 149 150 151 152 153 154 155
(1) The piping, equipment, and facilities used for the production and preparation of hydrocarbon gas or liquids for transportation or delivery;	156 157 158
(2) The processes of extraction and recovery, lifting, stabilization, treatment, separation, production processing, storage, waste disposal, and measurement of hydrocarbon gas and liquids, including related equipment and facilities;	159 160 161 162
(3) The processes and related equipment and facilities associated with production compression, gas lift, gas injection, fuel gas supply, well drilling, well stimulation, and well completion activities, including dikes, pits, and earthen and other impoundments used for the temporary storage of fluids and waste substances associated with well drilling, well stimulation, and well completion activities.	163 164 165 166 167 168 169
(BB) "Annular overpressurization" means the accumulation of fluids within an annulus with sufficient pressure to allow migration of annular fluids into underground sources of drinking water.	170 171 172 173

(CC) "Idle and orphaned well" means a well for which a bond	174
has been forfeited or an abandoned well for which no money is	175
available to plug the well in accordance with this chapter and	176
rules adopted under it.	177
(DD) "Temporarily inactive well" means a well that has been	178
granted temporary inactive status under section 1509.062 of the	179
Revised Code.	180
(EE) "Material and substantial violation" means any of the	181
following:	182
(1) Failure to obtain a permit to drill, reopen, <del>convert,</del>	183
plugback, or plug a well under this chapter;	184
(2) Failure to obtain, maintain, update, or submit proof of	185
insurance coverage that is required under this chapter;	186
(3) Failure to obtain, maintain, update, or submit proof of a	187
surety bond that is required under this chapter;	188
(4) Failure to plug an abandoned well or idle and orphaned	189
well unless the well has been granted temporary inactive status	190
under section 1509.062 of the Revised Code or the chief of the	191
division of oil and gas resources management has approved another	192
option concerning the abandoned well or idle and orphaned well;	193
(5) Failure to restore a disturbed land surface as required	194
by section 1509.072 of the Revised Code;	195
(6) Failure to reimburse the oil and gas well fund pursuant	196
to a final order issued under section 1509.071 of the Revised	197
Code;	198
(7) Failure to comply with a final nonappealable order of the	199
chief issued under section 1509.04 of the Revised Code;	200
(8) Failure to submit a report, test result, fee, or document	201
that is required in this chapter or rules adopted under it.	202
(FF) "Severer" has the same meaning as in section 5749.01 of	203

the Revised Code.	204
(GG) "Horizontal well" means a well that is drilled for the	205
production of oil or gas in which the wellbore reaches a	206
horizontal or near horizontal position in the Point Pleasant,	207
Utica, or Marcellus formation and the well is stimulated.	208
(HH) "Well pad" means the area that is cleared or prepared	209
for the drilling of one or more horizontal wells.	210
<b>Sec. 1509.02.</b> There is hereby created in the department of	211
natural resources the division of oil and gas resources	212
management, which shall be administered by the chief of the	213
division of oil and gas resources management. The division has	214
sole and exclusive authority to regulate the permitting, location,	215
and spacing of oil and gas wells and production operations within	216
the state, excepting only those activities regulated under federal	217
laws for which oversight has been delegated to the environmental	218
protection agency and activities regulated under sections 6111.02	219
to 6111.029 of the Revised Code. The regulation of oil and gas	220
activities is a matter of general statewide interest that requires	221
uniform statewide regulation, and this chapter and rules adopted	222
under it constitute a comprehensive plan with respect to all	223
aspects of the locating, drilling, well stimulation, completing,	224
and operating of oil and gas wells within this state, including	225
site construction and restoration, permitting related to those	226
activities, and the disposal of wastes from those wells. In order	227
to assist the division in the furtherance of its sole and	228
exclusive authority as established in this section, the chief may	229
enter into cooperative agreements with other state agencies for	230
advice and consultation, including visitations at the surface	231
location of a well on behalf of the division. Such cooperative	232
agreements do not confer on other state agencies any authority to	233
administer or enforce this chapter and rules adopted under it. In	234



addition, such cooperative agreements shall not be construed to 235  
dilute or diminish the division's sole and exclusive authority as 236  
established in this section. Nothing in this section affects the 237  
authority granted to the director of transportation and local 238  
authorities in section 723.01 or 4513.34 of the Revised Code, 239  
provided that the authority granted under those sections shall not 240  
be exercised in a manner that discriminates against, unfairly 241  
impedes, or obstructs oil and gas activities and operations 242  
regulated under this chapter. 243

The chief shall not hold any other public office, nor shall 244  
the chief be engaged in any occupation or business that might 245  
interfere with or be inconsistent with the duties as chief. 246

All moneys collected by the chief pursuant to sections 247  
1509.06, 1509.061, 1509.062, 1509.071, 1509.13, ~~1509.22~~, 1509.222, 248  
1509.28, 1509.34, and 1509.50 of the Revised Code, ninety per cent 249  
of moneys received by the treasurer of state from the tax levied 250  
in divisions (A)(5) and (6) of section 5749.02 of the Revised 251  
Code, all civil penalties paid under section 1509.33 of the 252  
Revised Code, and, notwithstanding any section of the Revised Code 253  
relating to the distribution or crediting of fines for violations 254  
of the Revised Code, all fines imposed under divisions (A) and (B) 255  
of section 1509.99 of the Revised Code and fines imposed under 256  
divisions (C) and (D) of section 1509.99 of the Revised Code for 257  
all violations prosecuted by the attorney general and for 258  
violations prosecuted by prosecuting attorneys that do not involve 259  
the transportation of brine by vehicle shall be deposited into the 260  
state treasury to the credit of the oil and gas well fund, which 261  
is hereby created. Fines imposed under divisions (C) and (D) of 262  
section 1509.99 of the Revised Code for violations prosecuted by 263  
prosecuting attorneys that involve the transportation of brine by 264  
vehicle and penalties associated with a compliance agreement 265  
entered into pursuant to this chapter shall be paid to the county 266

treasury of the county where the violation occurred. 267

The fund shall be used solely and exclusively for the 268  
purposes enumerated in division (B) of section 1509.071 of the 269  
Revised Code, for the expenses of the division associated with the 270  
administration of this chapter and Chapter 1571. of the Revised 271  
Code and rules adopted under them, and for expenses that are 272  
critical and necessary for the protection of human health and 273  
safety and the environment related to oil and gas production in 274  
this state. The expenses of the division in excess of the moneys 275  
available in the fund shall be paid from general revenue fund 276  
appropriations to the department. 277

**Sec. 1509.03.** (A) The chief of the division of oil and gas 278  
resources management shall adopt, rescind, and amend, in 279  
accordance with Chapter 119. of the Revised Code, rules for the 280  
administration, implementation, and enforcement of this chapter. 281  
The rules shall include an identification of the subjects that the 282  
chief shall address when attaching terms and conditions to a 283  
permit with respect to a well and production facilities of a well 284  
that are located within an urbanized area or with respect to a 285  
horizontal well and production facilities associated with a 286  
horizontal well. The subjects shall include all of the following: 287

(1) Safety concerning the drilling or operation of a well; 288

(2) Protection of the public and private water supply, 289  
including the amount of water used and the source or sources of 290  
the water; 291

(3) Fencing and screening of surface facilities of a well; 292

(4) Containment and disposal of drilling and production 293  
wastes; 294

(5) Construction of access roads for purposes of the drilling 295  
and operation of a well; 296

(6) Noise mitigation for purposes of the drilling of a well 297  
and the operation of a well, excluding safety and maintenance 298  
operations. 299

No person shall violate any rule of the chief adopted under 300  
this chapter. 301

(B)(1) Any order issuing, denying, or modifying a permit or 302  
notices required to be made by the chief pursuant to this chapter 303  
shall be made in compliance with Chapter 119. of the Revised Code, 304  
except that personal service may be used in lieu of service by 305  
mail. Every order issuing, denying, or modifying a permit under 306  
this chapter and described as such shall be considered an 307  
adjudication order for purposes of Chapter 119. of the Revised 308  
Code. Division (B)(1) of this section does not apply to a permit 309  
issued under section 1509.06 of the Revised Code. 310

(2) Where notice to the owners is required by this chapter, 311  
the notice shall be given as prescribed by a rule adopted by the 312  
chief to govern the giving of notices. The rule shall provide for 313  
notice by publication except in those cases where other types of 314  
notice are necessary in order to meet the requirements of the law. 315

(C) The chief or the chief's authorized representative may at 316  
any time enter upon lands, public or private, for the purpose of 317  
administration or enforcement of this chapter, the rules adopted 318  
or orders made thereunder, or terms or conditions of permits or 319  
registration certificates issued thereunder and may examine and 320  
copy records pertaining to the drilling, conversion, or operation 321  
of a well for injection of fluids and logs required by division 322  
(C) of section 1509.223 of the Revised Code. No person shall 323  
prevent or hinder the chief or the chief's authorized 324  
representative in the performance of official duties. If entry is 325  
prevented or hindered, the chief or the chief's authorized 326  
representative may apply for, and the court of common pleas may 327  
issue, an appropriate inspection warrant necessary to achieve the 328

purposes of this chapter within the court's territorial jurisdiction. 329  
330

(D) The chief may issue orders to enforce this chapter, rules adopted thereunder, and terms or conditions of permits issued thereunder. Any such order shall be considered an adjudication order for the purposes of Chapter 119. of the Revised Code. No person shall violate any order of the chief issued under this chapter. No person shall violate a term or condition of a permit or registration certificate issued under this chapter. 331  
332  
333  
334  
335  
336  
337

(E) Orders of the chief denying, suspending, or revoking a registration certificate; approving or denying approval of an application for revision of a registered transporter's plan for disposal; or to implement, administer, or enforce division (A) of section 1509.224 and sections 1509.22, 1509.222, 1509.223, and 1509.225, ~~and 1509.226~~ of the Revised Code pertaining to the transportation of brine by vehicle and the disposal of brine so transported are not adjudication orders for purposes of Chapter 119. of the Revised Code. The chief shall issue such orders under division (A) or (B) of section 1509.224 of the Revised Code, as appropriate. 338  
339  
340  
341  
342  
343  
344  
345  
346  
347  
348

**Sec. 1509.05.** No person shall drill a new well, drill an existing well any deeper, reopen a well, ~~convert a well to any use other than its original purpose,~~ or plug back a well to a source of supply different from the existing pool, without having a permit to do so issued by the chief of the division of oil and gas resources management, and until the original permit or a photostatic copy thereof is posted or displayed in a conspicuous and easily accessible place at the well site, with the name, current address, and telephone number of the permit holder and the telephone numbers for fire and emergency medical services maintained on the posted permit or copy. The permit or a copy 349  
350  
351  
352  
353  
354  
355  
356  
357  
358  
359

shall be continuously displayed in that manner at all times during 360  
the work authorized by the permit. 361

Sec. 1509.051. No person shall convert a well to a use other 362  
than its original purpose. 363

**Sec. 1509.06.** (A) An application for a permit to drill a new 364  
well, drill an existing well deeper, reopen a well, ~~convert a well~~ 365  
~~to any use other than its original purpose,~~ or plug back a well to 366  
a different source of supply, including associated production 367  
operations, shall be filed with the chief of the division of oil 368  
and gas resources management upon such form as the chief 369  
prescribes and shall contain each of the following that is 370  
applicable: 371

(1) The name and address of the owner and, if a corporation, 372  
the name and address of the statutory agent; 373

(2) The signature of the owner or the owner's authorized 374  
agent. When an authorized agent signs an application, it shall be 375  
accompanied by a certified copy of the appointment as such agent. 376

(3) The names and addresses of all persons holding the 377  
royalty interest in the tract upon which the well is located or is 378  
to be drilled or within a proposed drilling unit; 379

(4) The location of the tract or drilling unit on which the 380  
well is located or is to be drilled identified by section or lot 381  
number, city, village, township, and county; 382

(5) Designation of the well by name and number; 383

(6)(a) The geological formation to be tested or used and the 384  
proposed total depth of the well; 385

(b) If the well is for the injection of a liquid, identity of 386  
the geological formation to be used as the injection zone and the 387  
composition of the liquid to be injected. 388

(7) The type of drilling equipment to be used; 389

(8)(a) An identification, to the best of the owner's 390  
knowledge, of each proposed source of ground water and surface 391  
water that will be used in the production operations of the well. 392  
The identification of each proposed source of water shall indicate 393  
if the water will be withdrawn from the Lake Erie watershed or the 394  
Ohio river watershed. In addition, the owner shall provide, to the 395  
best of the owner's knowledge, the proposed estimated rate and 396  
volume of the water withdrawal for the production operations. If 397  
recycled water will be used in the production operations, the 398  
owner shall provide the estimated volume of recycled water to be 399  
used. The owner shall submit to the chief an update of any of the 400  
information that is required by division (A)(8)(a) of this section 401  
if any of that information changes before the chief issues a 402  
permit for the application. 403

(b) Except as provided in division (A)(8)(c) of this section, 404  
for an application for a permit to drill a new well within an 405  
urbanized area, the results of sampling of water wells within 406  
three hundred feet of the proposed well prior to commencement of 407  
drilling. In addition, the owner shall include a list that 408  
identifies the location of each water well where the owner of the 409  
property on which the water well is located denied the owner 410  
access to sample the water well. The sampling shall be conducted 411  
in accordance with the guidelines established in "Best Management 412  
Practices For Pre-drilling Water Sampling" in effect at the time 413  
that the application is submitted. The division shall furnish 414  
those guidelines upon request and shall make them available on the 415  
division's web site. If the chief determines that conditions at 416  
the proposed well site warrant a revision, the chief may revise 417  
the distance established in this division for purposes of 418  
pre-drilling water sampling. 419

(c) For an application for a permit to drill a new horizontal 420

well, the results of sampling of water wells within one thousand 421  
five hundred feet of the proposed horizontal wellhead prior to 422  
commencement of drilling. In addition, the owner shall include a 423  
list that identifies the location of each water well where the 424  
owner of the property on which the water well is located denied 425  
the owner access to sample the water well. The sampling shall be 426  
conducted in accordance with the guidelines established in "Best 427  
Management Practices For Pre-drilling Water Sampling" in effect at 428  
the time that the application is submitted. The division shall 429  
furnish those guidelines upon request and shall make them 430  
available on the division's web site. If the chief determines that 431  
conditions at the proposed well site warrant a revision, the chief 432  
may revise the distance established in this division for purposes 433  
of pre-drilling water sampling. 434

(9) For an application for a permit to drill a new well 435  
within an urbanized area, a sworn statement that the applicant has 436  
provided notice by regular mail of the application to the owner of 437  
each parcel of real property that is located within five hundred 438  
feet of the surface location of the well and to the executive 439  
authority of the municipal corporation or the board of township 440  
trustees of the township, as applicable, in which the well is to 441  
be located. In addition, the notice shall contain a statement that 442  
informs an owner of real property who is required to receive the 443  
notice under division (A)(9) of this section that within five days 444  
of receipt of the notice, the owner is required to provide notice 445  
under section 1509.60 of the Revised Code to each residence in an 446  
occupied dwelling that is located on the owner's parcel of real 447  
property. The notice shall contain a statement that an application 448  
has been filed with the division of oil and gas resources 449  
management, identify the name of the applicant and the proposed 450  
well location, include the name and address of the division, and 451  
contain a statement that comments regarding the application may be 452  
sent to the division. The notice may be provided by hand delivery 453

or regular mail. The identity of the owners of parcels of real 454  
property shall be determined using the tax records of the 455  
municipal corporation or county in which a parcel of real property 456  
is located as of the date of the notice. 457

(10) A plan for restoration of the land surface disturbed by 458  
drilling operations. The plan shall provide for compliance with 459  
the restoration requirements of division (A) of section 1509.072 460  
of the Revised Code and any rules adopted by the chief pertaining 461  
to that restoration. 462

(11)(a) A description by name or number of the county, 463  
township, and municipal corporation roads, streets, and highways 464  
that the applicant anticipates will be used for access to and 465  
egress from the well site; 466

(b) For an application for a permit for a horizontal well, a 467  
copy of an agreement concerning maintenance and safe use of the 468  
roads, streets, and highways described in division (A)(11)(a) of 469  
this section entered into on reasonable terms with the public 470  
official that has the legal authority to enter into such 471  
maintenance and use agreements for each county, township, and 472  
municipal corporation, as applicable, in which any such road, 473  
street, or highway is located or an affidavit on a form prescribed 474  
by the chief attesting that the owner attempted in good faith to 475  
enter into an agreement under division (A)(11)(b) of this section 476  
with the applicable public official of each such county, township, 477  
or municipal corporation, but that no agreement was executed. 478

(12) Such other relevant information as the chief prescribes 479  
by rule. 480

Each application shall be accompanied by a map, on a scale 481  
not smaller than four hundred feet to the inch, prepared by an 482  
Ohio registered surveyor, showing the location of the well and 483  
containing such other data as may be prescribed by the chief. If 484



the well is or is to be located within the excavations and 485  
workings of a mine, the map also shall include the location of the 486  
mine, the name of the mine, and the name of the person operating 487  
the mine. 488

(B) The chief shall cause a copy of the weekly circular 489  
prepared by the division to be provided to the county engineer of 490  
each county that contains active or proposed drilling activity. 491  
The weekly circular shall contain, in the manner prescribed by the 492  
chief, the names of all applicants for permits, the location of 493  
each well or proposed well, the information required by division 494  
(A)(11) of this section, and any additional information the chief 495  
prescribes. In addition, the chief promptly shall transfer an 496  
electronic copy or facsimile, or if those methods are not 497  
available to a municipal corporation or township, a copy via 498  
regular mail, of a drilling permit application to the clerk of the 499  
legislative authority of the municipal corporation or to the clerk 500  
of the township in which the well or proposed well is or is to be 501  
located if the legislative authority of the municipal corporation 502  
or the board of township trustees has asked to receive copies of 503  
such applications and the appropriate clerk has provided the chief 504  
an accurate, current electronic mailing address or facsimile 505  
number, as applicable. 506

(C)(1) Except as provided in division (C)(2) of this section, 507  
the chief shall not issue a permit for at least ten days after the 508  
date of filing of the application for the permit unless, upon 509  
reasonable cause shown, the chief waives that period or a request 510  
for expedited review is filed under this section. However, the 511  
chief shall issue a permit within twenty-one days of the filing of 512  
the application unless the chief denies the application by order. 513

(2) If the location of a well or proposed well will be or is 514  
within an urbanized area, the chief shall not issue a permit for 515  
at least eighteen days after the date of filing of the application 516

for the permit unless, upon reasonable cause shown, the chief 517  
waives that period or the chief at the chief's discretion grants a 518  
request for an expedited review. However, the chief shall issue a 519  
permit for a well or proposed well within an urbanized area within 520  
thirty days of the filing of the application unless the chief 521  
denies the application by order. 522

(D) An applicant may file a request with the chief for 523  
expedited review of a permit application if the well is not or is 524  
not to be located in a gas storage reservoir or reservoir 525  
protective area, as "reservoir protective area" is defined in 526  
section 1571.01 of the Revised Code. If the well is or is to be 527  
located in a coal bearing township, the application shall be 528  
accompanied by the affidavit of the landowner prescribed in 529  
section 1509.08 of the Revised Code. 530

In addition to a complete application for a permit that meets 531  
the requirements of this section and the permit fee prescribed by 532  
this section, a request for expedited review shall be accompanied 533  
by a separate nonrefundable filing fee of two hundred fifty 534  
dollars. Upon the filing of a request for expedited review, the 535  
chief shall cause the county engineer of the county in which the 536  
well is or is to be located to be notified of the filing of the 537  
permit application and the request for expedited review by 538  
telephone or other means that in the judgment of the chief will 539  
provide timely notice of the application and request. The chief 540  
shall issue a permit within seven days of the filing of the 541  
request unless the chief denies the application by order. 542  
Notwithstanding the provisions of this section governing expedited 543  
review of permit applications, the chief may refuse to accept 544  
requests for expedited review if, in the chief's judgment, the 545  
acceptance of the requests would prevent the issuance, within 546  
twenty-one days of their filing, of permits for which applications 547  
are pending. 548

(E) A well shall be drilled and operated in accordance with 549  
the plans, sworn statements, and other information submitted in 550  
the approved application. 551

(F) The chief shall issue an order denying a permit if the 552  
chief finds that there is a substantial risk that the operation 553  
will result in violations of this chapter or rules adopted under 554  
it that will present an imminent danger to public health or safety 555  
or damage to the environment, provided that where the chief finds 556  
that terms or conditions to the permit can reasonably be expected 557  
to prevent such violations, the chief shall issue the permit 558  
subject to those terms or conditions, including, if applicable, 559  
terms and conditions regarding subjects identified in rules 560  
adopted under section 1509.03 of the Revised Code. The issuance of 561  
a permit shall not be considered an order of the chief. 562

The chief shall post notice of each permit that has been 563  
approved under this section on the division's web site not later 564  
than two business days after the application for a permit has been 565  
approved. 566

(G) Each application for a permit required by section 1509.05 567  
of the Revised Code, except an application to plug back an 568  
existing well that is required by that section ~~and an application~~ 569  
~~for a well drilled or reopened for purposes of section 1509.22 of~~ 570  
~~the Revised Code~~, also shall be accompanied by a nonrefundable fee 571  
as follows: 572

(1) Five hundred dollars for a permit to conduct activities 573  
in a township with a population of fewer than ten thousand; 574

(2) Seven hundred fifty dollars for a permit to conduct 575  
activities in a township with a population of ten thousand or 576  
more, but fewer than fifteen thousand; 577

(3) One thousand dollars for a permit to conduct activities 578  
in either of the following: 579

(a) A township with a population of fifteen thousand or more;	580
(b) A municipal corporation regardless of population.	581
(4) If the application is for a permit that requires mandatory pooling, an additional five thousand dollars.	582 583
For purposes of calculating fee amounts, populations shall be determined using the most recent federal decennial census.	584 585
Each application for the revision or reissuance of a permit shall be accompanied by a nonrefundable fee of two hundred fifty dollars.	586 587 588
(H)(1) Prior to the commencement of well pad construction and prior to the issuance of a permit to drill a proposed horizontal well or a proposed well that is to be located in an urbanized area, the division shall conduct a site review to identify and evaluate any site-specific terms and conditions that may be attached to the permit. At the site review, a representative of the division shall consider fencing, screening, and landscaping requirements, if any, for similar structures in the community in which the well is proposed to be located. The terms and conditions that are attached to the permit shall include the establishment of fencing, screening, and landscaping requirements for the surface facilities of the proposed well, including a tank battery of the well.	589 590 591 592 593 594 595 596 597 598 599 600 601
(2) Prior to the issuance of a permit to drill a proposed well, the division shall conduct a review to identify and evaluate any site-specific terms and conditions that may be attached to the permit if the proposed well will be located in a one-hundred-year floodplain or within the five-year time of travel associated with a public drinking water supply.	602 603 604 605 606 607
(I) A permit shall be issued by the chief in accordance with this chapter. A permit issued under this section for a well that is or is to be located in an urbanized area shall be valid for	608 609 610

twelve months, and all other permits issued under this section 611  
shall be valid for twenty-four months. 612

(J) An applicant or a permittee, as applicable, shall submit 613  
to the chief an update of the information that is required under 614  
division (A)(8)(a) of this section if any of that information 615  
changes prior to commencement of production operations. 616

(K) A permittee or a permittee's authorized representative 617  
shall notify an inspector from the division at least twenty-four 618  
hours, or another time period agreed to by the chief's authorized 619  
representative, prior to the commencement of well pad construction 620  
and of drilling, reopening, ~~converting~~, well stimulation, or 621  
plugback operations. 622

**Sec. 1509.08.** Upon receipt of an application for a permit 623  
required by section 1509.05 of the Revised Code, or upon receipt 624  
of an application for a permit to plug and abandon under section 625  
1509.13 of the Revised Code, the chief of the division of oil and 626  
gas resources management shall determine whether the well is or is 627  
to be located in a coal bearing township. 628

Whether or not the well is or is to be located in a coal 629  
bearing township, the chief, by order, may refuse to issue a 630  
permit required by section 1509.05 of the Revised Code to any 631  
applicant who at the time of applying for the permit is in 632  
material or substantial violation of this chapter or rules adopted 633  
or orders issued under it. The chief shall refuse to issue a 634  
permit to any applicant who at the time of applying for the permit 635  
has been found liable by a final nonappealable order of a court of 636  
competent jurisdiction for damage to streets, roads, highways, 637  
bridges, culverts, or drainways pursuant to section 4513.34 or 638  
5577.12 of the Revised Code until the applicant provides the chief 639  
with evidence of compliance with the order. No applicant shall 640  
attempt to circumvent this provision by applying for a permit 641

under a different name or business organization name, by 642  
transferring responsibility to another person or entity, by 643  
abandoning the well or lease, or by any other similar act. 644

If the well is not or is not to be located in a coal bearing 645  
township, or if it is to be located in a coal bearing township, 646  
but the landowner submits an affidavit attesting to ownership of 647  
the property in fee simple, including the coal, and has no 648  
objection to the well, the chief shall issue the permit. 649

If the application to drill, or reopen, ~~or convert~~ concerns a 650  
well that is or is to be located in a coal bearing township, the 651  
chief shall transmit to the chief of the division of mineral 652  
resources management two copies of the application and three 653  
copies of the map required in section 1509.06 of the Revised Code, 654  
except that, when the affidavit with the waiver of objection 655  
described above is submitted, the chief of the division of oil and 656  
gas resources management shall not transmit the copies. 657

The chief of the division of mineral resources management 658  
immediately shall notify the owner or lessee of any affected mine 659  
that the application has been filed and send to the owner or 660  
lessee two copies of the map accompanying the application setting 661  
forth the location of the well. 662

If the owner or lessee objects to the location of the well or 663  
objects to any location within fifty feet of the original location 664  
as a possible site for relocation of the well, the owner or lessee 665  
shall notify the chief of the division of mineral resources 666  
management of the objection, giving the reasons for the objection 667  
and, if applicable, indicating on a copy of the map the particular 668  
location or locations within fifty feet of the original location 669  
to which the owner or lessee objects as a site for possible 670  
relocation of the well, within six days after the receipt of the 671  
notice. If the chief receives no objections from the owner or 672  
lessee of the mine within ten days after the receipt of the notice 673

by the owner or lessee, or if in the opinion of the chief the 674  
objections offered by the owner or lessee are not sufficiently 675  
well founded, the chief immediately shall notify the owner or 676  
lessee of those findings. The owner or lessee may appeal the 677  
decision of the chief to the reclamation commission under section 678  
1513.13 of the Revised Code. The appeal shall be filed within 679  
fifteen days, notwithstanding provisions in ~~divisions~~ division 680  
(A)(1) of section 1513.13 of the Revised Code to the contrary, 681  
from the date on which the owner or lessee receives the notice. If 682  
the appeal is not filed within that time, the chief immediately 683  
shall approve the application, retain a copy of the application 684  
and map, and return a copy of the application to the chief of the 685  
division of oil and gas resources management with the approval 686  
noted on it. The chief of the division of oil and gas resources 687  
management then shall issue the permit if the provisions of this 688  
chapter pertaining to the issuance of such a permit have been 689  
complied with. 690

If the chief of the division of mineral resources management 691  
receives an objection from the owner or lessee of the mine as to 692  
the location of the well within ten days after receipt of the 693  
notice by the owner or lessee, and if in the opinion of the chief 694  
the objection is well founded, the chief shall disapprove the 695  
application and immediately return it to the chief of the division 696  
of oil and gas resources management together with the reasons for 697  
disapproval and a suggestion for a new location for the well, 698  
provided that the suggested new location shall not be a location 699  
within fifty feet of the original location to which the owner or 700  
lessee has objected as a site for possible relocation of the well 701  
if the chief of the division of mineral resources management has 702  
determined that the objection is well founded. The chief of the 703  
division of oil and gas resources management immediately shall 704  
notify the applicant for the permit of the disapproval and any 705  
suggestion made by the chief of the division of mineral resources 706

management as to a new location for the well. The applicant may 707  
withdraw the application or amend the application to drill the 708  
well at the location suggested by the chief, or the applicant may 709  
appeal the disapproval of the application by the chief to the 710  
reclamation commission. 711

If the chief of the division of mineral resources management 712  
receives no objection from the owner or lessee of a mine as to the 713  
location of the well, but does receive an objection from the owner 714  
or lessee as to one or more locations within fifty feet of the 715  
original location as possible sites for relocation of the well 716  
within ten days after receipt of the notice by the owner or 717  
lessee, and if in the opinion of the chief the objection is well 718  
founded, the chief nevertheless shall approve the application and 719  
shall return it immediately to the chief of the division of oil 720  
and gas resources management together with the reasons for 721  
disapproving any of the locations to which the owner or lessee 722  
objects as possible sites for the relocation of the well. The 723  
chief of the division of oil and gas resources management then 724  
shall issue a permit if the provisions of this chapter pertaining 725  
to the issuance of such a permit have been complied with, 726  
incorporating as a term or condition of the permit that the 727  
applicant is prohibited from commencing drilling at any location 728  
within fifty feet of the original location that has been 729  
disapproved by the chief of the division of mineral resources 730  
management. The applicant may appeal to the reclamation commission 731  
the terms and conditions of the permit prohibiting the 732  
commencement of drilling at any such location disapproved by the 733  
chief of the division of mineral resources management. 734

Any such appeal shall be filed within fifteen days, 735  
notwithstanding provisions in division (A)(1) of section 1513.13 736  
of the Revised Code to the contrary, from the date the applicant 737  
receives notice of the disapproval of the application, any other 738



location within fifty feet of the original location, or terms or 739  
conditions of the permit, or the owner or lessee receives notice 740  
of the chief's decision. No approval or disapproval of an 741  
application shall be delayed by the chief of the division of 742  
mineral resources management for more than fifteen days from the 743  
date of sending the notice of the application to the mine owner or 744  
lessee as required by this section. 745

All appeals provided for in this section shall be treated as 746  
expedited appeals. The reclamation commission shall hear any such 747  
appeal in accordance with section 1513.13 of the Revised Code and 748  
issue a decision within thirty days of the filing of the notice of 749  
appeal. 750

The chief of the division of oil and gas resources management 751  
shall not issue a permit to drill a new well or reopen a well that 752  
is or is to be located within three hundred feet of any opening of 753  
any mine used as a means of ingress, egress, or ventilation for 754  
persons employed in the mine, nor within one hundred feet of any 755  
building or inflammable structure connected with the mine and 756  
actually used as a part of the operating equipment of the mine, 757  
unless the chief of the division of mineral resources management 758  
determines that life or property will not be endangered by 759  
drilling and operating the well in that location. 760

The chief of the division of mineral resources management may 761  
suspend the drilling or reopening of a well in a coal bearing 762  
township after determining that the drilling or reopening 763  
activities present an imminent and substantial threat to public 764  
health or safety or to miners' health or safety and having been 765  
unable to contact the chief of the division of oil and gas 766  
resources management to request an order of suspension under 767  
section 1509.06 of the Revised Code. Before issuing a suspension 768  
order for that purpose, the chief of the division of mineral 769  
resources management shall notify the owner in a manner that in 770

the chief's judgment would provide reasonable notification that 771  
the chief intends to issue a suspension order. The chief may issue 772  
such an order without prior notification if reasonable attempts to 773  
notify the owner have failed, but in that event notification shall 774  
be given as soon thereafter as practical. Within five calendar 775  
days after the issuance of the order, the chief shall provide the 776  
owner an opportunity to be heard and to present evidence that the 777  
activities do not present an imminent and substantial threat to 778  
public health or safety or to miners' health or safety. If, after 779  
considering the evidence presented by the owner, the chief 780  
determines that the activities do not present such a threat, the 781  
chief shall revoke the suspension order. An owner may appeal a 782  
suspension order issued by the chief of the division of mineral 783  
resources management under this section to the reclamation 784  
commission in accordance with section 1513.13 of the Revised Code 785  
or may appeal the order directly to the court of common pleas of 786  
the county in which the well is located. 787

**Sec. 1509.21.** ~~No~~ (A) Except as provided in division (B) of 788  
this section, no person shall, without first having obtained a 789  
permit from the chief of the division of oil and gas resources 790  
management, conduct secondary or additional recovery operations, 791  
including any underground injection of fluids or carbon dioxide 792  
for the secondary or tertiary recovery of oil or natural gas or 793  
for the storage of hydrocarbons that are liquid at standard 794  
temperature or pressure, unless a rule of the chief expressly 795  
authorizes such operations without a permit. The permit shall be 796  
in addition to any permit required by section 1509.05 of the 797  
Revised Code. Secondary or additional recovery operations shall be 798  
conducted in accordance with rules and orders of the chief and any 799  
terms or conditions of the permit authorizing such operations. In 800  
addition, the chief may authorize tests to evaluate whether fluids 801  
or carbon dioxide may be injected in a reservoir and to determine 802

the maximum allowable injection pressure. The tests shall be 803  
conducted in accordance with methods prescribed in rules of the 804  
chief or conditions of the permit. Rules adopted under this 805  
section shall include provisions regarding applications for and 806  
the issuance of permits; the terms and conditions of permits; 807  
entry to conduct inspections and to examine records to ascertain 808  
compliance with this section and rules, orders, and terms and 809  
conditions of permits adopted or issued thereunder; the provision 810  
and maintenance of information through monitoring, recordkeeping, 811  
and reporting; and other provisions in furtherance of the goals of 812  
this section and the Safe Drinking Water Act. To implement the 813  
goals of the Safe Drinking Water Act, the chief shall not issue a 814  
permit for the underground injection of fluids for the secondary 815  
or tertiary recovery of oil or natural gas or for the storage of 816  
hydrocarbons that are liquid at standard temperature and pressure, 817  
unless the chief concludes that the applicant has demonstrated 818  
that the injection will not result in the presence of any 819  
contaminant in underground water that supplies or can be 820  
reasonably expected to supply any public water system, such that 821  
the presence of any such contaminant may result in the system's 822  
not complying with any national primary drinking water regulation 823  
or may otherwise adversely affect the health of persons. Rules, 824  
orders, and terms or conditions of permits adopted or issued under 825  
this section shall be construed to be no more stringent than 826  
required for compliance with the Safe Drinking Water Act, unless 827  
essential to ensure that underground sources of drinking water 828  
will not be endangered. 829

(B) No person shall dispose of brine in association with a 830  
method of enhanced recovery conducted pursuant to division (A) of 831  
this section. 832

**Sec. 1509.22.** (A) ~~Except when acting in accordance with 833  
section 1509.226 of the Revised Code, no (1) No person shall place 834~~

or cause to be placed brine in or on the land or in surface or 835  
ground water. 836

(2) No person shall place or cause to be placed brine, 837  
oil, natural gas, or other fluids associated with the exploration 838  
or development of oil and gas resources in surface or ground water 839  
or in or on the land in such quantities or in such manner as 840  
actually causes or could reasonably be anticipated to cause either 841  
of the following: 842

(1)(a) Water used for consumption by humans or domestic 843  
animals to exceed the standards of the Safe Drinking Water Act; 844

(2)(b) Damage or injury to public health or safety or the 845  
environment. 846

(3) Divisions (A)(1) and (2) of this section apply regardless 847  
of whether brine, crude oil, natural gas, or other fluids 848  
associated with the exploration or development of oil and gas 849  
resources have been treated in a public water system or other 850  
treatment system or process. 851

(B) No person shall store or dispose of brine in violation of 852  
a plan approved under division (A) of section 1509.222 ~~or section~~ 853  
~~1509.226~~ of the Revised Code, ~~in violation of a resolution~~ 854  
~~submitted under section 1509.226 of the Revised Code,~~ or in 855  
violation of rules or orders applicable to those plans ~~or~~ 856  
~~resolutions.~~ 857

(C) The chief of the division of oil and gas resources 858  
management shall adopt rules and issue orders regarding storage 859  
and disposal of brine and other waste substances; however, the 860  
storage and disposal of brine and other waste substances and the 861  
chief's rules relating to storage and disposal are subject to all 862  
of the following standards: 863

(1) Brine from any well ~~except an exempt Mississippian well~~ 864  
shall be disposed of only ~~by injection into an underground~~ 865

~~formation, including annular disposal if approved by rule of the chief, which injection shall be subject to division (D) of this section; by surface application in accordance with section 1509.226 of the Revised Code; in association with a method of enhanced recovery as provided in section 1509.21 of the Revised Code; or by other methods approved by the chief for testing or implementing a new technology or method of disposal. Brine from exempt Mississippian wells shall not be discharged directly into the waters of the state.~~

(2) Muds, cuttings, and other waste substances shall not be disposed of in violation of any rule.

(3) Pits or steel tanks shall be used as authorized by the chief for containing brine and other waste substances resulting from, obtained from, or produced in connection with drilling, well stimulation, reworking, reconditioning, plugging back, or plugging operations. The pits and steel tanks shall be constructed and maintained to prevent the escape of brine and other waste substances.

(4) A dike or pit may be used for spill prevention and control. A dike or pit so used shall be constructed and maintained to prevent the escape of brine and crude oil, and the reservoir within such a dike or pit shall be kept reasonably free of brine, crude oil, and other waste substances.

(5) Earthen impoundments constructed pursuant to the division's specifications may be used for the temporary storage of fluids used in the stimulation of a well.

(6) No pit, earthen impoundment, or dike shall be used for the temporary storage of brine or other substances except in accordance with divisions (C)(3) to (5) of this section.

(7) No pit or dike shall be used for the ultimate disposal of brine or other liquid waste substances.

~~(D)(1) No Except as provided in division (D)(2) of this section, no person, without first having obtained a permit from the chief, shall inject brine or other waste substances resulting from, obtained from, or produced in connection with oil or gas drilling, exploration, or production into an underground formation unless a rule of the chief expressly authorizes the injection without a permit. The permit shall be in addition to any permit required by section 1509.05 of the Revised Code, and the permit application shall be accompanied by a permit fee of one thousand dollars. The chief shall adopt rules in accordance with Chapter 119. of the Revised Code regarding the injection into wells of brine and other waste substances resulting from, obtained from, or produced in connection with oil or gas drilling, exploration, or production. The rules shall include provisions regarding all of the following:~~

~~(a) Applications for and issuance of the permits required by this division:~~

~~(b) Entry to conduct inspections and to examine and copy records to ascertain compliance with this division and rules, orders, and terms and conditions of permits adopted or issued under it:~~

~~(c) The provision and maintenance of information through monitoring, recordkeeping, and reporting. In addition, the rules shall require the owner of an injection well who has been issued a permit under division (D) of this section to quarterly submit electronically to the chief information concerning each shipment of brine or other waste substances received by the owner for injection into the well.~~

~~(d) The provision and electronic reporting quarterly of information concerning brine and other waste substances from a transporter that is registered under section 1509.222 of the Revised Code prior to the injection of the transported brine or~~

<del>other waste substances;</del>	929
<del>(e) Any other provisions in furtherance of the goals of this section and the Safe Drinking Water Act.</del>	930 931
(2) The chief may adopt rules in accordance with Chapter 119. of the Revised Code authorizing tests to evaluate whether fluids <u>other than brine</u> or carbon dioxide may be injected in a reservoir and to determine the maximum allowable injection pressure, which shall be conducted in accordance with methods prescribed in the rules or in accordance with conditions of <del>the</del> <u>a permit issued by the chief for that purpose</u> . In addition, the chief may adopt rules that do both of the following:	932 933 934 935 936 937 938 939
(a) Establish the total depth of a well for which a permit has been applied for or issued under this division;	940 941
(b) Establish requirements and procedures to protect public health and safety.	942 943
(3) <del>To implement the goals of the Safe Drinking Water Act</del> <u>Except as provided in division (D)(2) of this section</u> , the chief shall not issue a permit for the injection of brine or other waste substances resulting from, obtained from, or produced in connection with oil or gas drilling, exploration, or production <del>unless the chief concludes that the applicant has demonstrated that the injection will not result in the presence of any contaminant in ground water that supplies or can reasonably be expected to supply any public water system, such that the presence of the contaminant may result in the system's not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.</del>	944 945 946 947 948 949 950 951 952 953 954 955
(4) The chief may issue an order to the owner of a well in existence on <del>the effective date of this amendment</del> <u>September 10, 2012</u> , to make changes in the operation of the well in order to correct problems or to address safety concerns.	956 957 958 959

~~(5) This division and rules, orders, and terms and conditions of permits adopted or issued under it shall be construed to be no more stringent than required for compliance with the Safe Drinking Water Act unless essential to ensure that underground sources of drinking water will not be endangered.~~

(E) The owner holding a permit, or an assignee or transferee who has assumed the obligations and liabilities imposed by this chapter and any rules adopted or orders issued under it pursuant to section 1509.31 of the Revised Code, and the operator of a well shall be liable for a violation of this section or any rules adopted or orders or terms or conditions of a permit issued under it.

(F) An owner shall replace the water supply of the holder of an interest in real property who obtains all or part of the holder's supply of water for domestic, agricultural, industrial, or other legitimate use from an underground or surface source where the supply has been substantially disrupted by contamination, diminution, or interruption proximately resulting from the owner's oil or gas operation, or the owner may elect to compensate the holder of the interest in real property for the difference between the fair market value of the interest before the damage occurred to the water supply and the fair market value after the damage occurred if the cost of replacing the water supply exceeds this difference in fair market values. However, during the pendency of any order issued under this division, the owner shall obtain for the holder or shall reimburse the holder for the reasonable cost of obtaining a water supply from the time of the contamination, diminution, or interruption by the operation until the owner has complied with an order of the chief for compliance with this division or such an order has been revoked or otherwise becomes not effective. If the owner elects to pay the difference in fair market values, but the owner and the holder



have not agreed on the difference within thirty days after the 992  
chief issues an order for compliance with this division, within 993  
ten days after the expiration of that thirty-day period, the owner 994  
and the chief each shall appoint an appraiser to determine the 995  
difference in fair market values, except that the holder of the 996  
interest in real property may elect to appoint and compensate the 997  
holder's own appraiser, in which case the chief shall not appoint 998  
an appraiser. The two appraisers appointed shall appoint a third 999  
appraiser, and within thirty days after the appointment of the 1000  
third appraiser, the three appraisers shall hold a hearing to 1001  
determine the difference in fair market values. Within ten days 1002  
after the hearing, the appraisers shall make their determination 1003  
by majority vote and issue their final determination of the 1004  
difference in fair market values. The chief shall accept a 1005  
determination of the difference in fair market values made by 1006  
agreement of the owner and holder or by appraisers under this 1007  
division and shall make and dissolve orders accordingly. This 1008  
division does not affect in any way the right of any person to 1009  
enforce or protect, under applicable law, the person's interest in 1010  
water resources affected by an oil or gas operation. 1011

(G) In any action brought by the state for a violation of 1012  
division (A) of this section involving any well at which annular 1013  
disposal is used, there shall be a rebuttable presumption 1014  
available to the state that the annular disposal caused the 1015  
violation if the well is located within a one-quarter-mile radius 1016  
of the site of the violation. 1017

~~(H)(1) There is levied on the owner of an injection well who 1018  
has been issued a permit under division (D) of this section the 1019  
following fees: 1020~~

~~(a) Five cents per barrel of each substance that is delivered 1021  
to a well to be injected in the well when the substance is 1022  
produced within the division of oil and gas resources management 1023~~

~~regulatory district in which the well is located or within an 1024  
adjoining oil and gas resources management regulatory district; 1025~~

~~(b) Twenty cents per barrel of each substance that is 1026  
delivered to a well to be injected in the well when the substance 1027  
is not produced within the division of oil and gas resources 1028  
management regulatory district in which the well is located or 1029  
within an adjoining oil and gas resources management regulatory 1030  
district. 1031~~

~~(2) The maximum number of barrels of substance per injection 1032  
well in a calendar year on which a fee may be levied under 1033  
division (H) of this section is five hundred thousand. If in a 1034  
calendar year the owner of an injection well receives more than 1035  
five hundred thousand barrels of substance to be injected in the 1036  
owner's well and if the owner receives at least one substance that 1037  
is produced within the division's regulatory district in which the 1038  
well is located or within an adjoining regulatory district and at 1039  
least one substance that is not produced within the division's 1040  
regulatory district in which the well is located or within an 1041  
adjoining regulatory district, the fee shall be calculated first 1042  
on all of the barrels of substance that are not produced within 1043  
the division's regulatory district in which the well is located or 1044  
within an adjoining district at the rate established in division 1045  
(H)(2) of this section. The fee then shall be calculated on the 1046  
barrels of substance that are produced within the division's 1047  
regulatory district in which the well is located or within an 1048  
adjoining district at the rate established in division (H)(1) of 1049  
this section until the maximum number of barrels established in 1050  
division (H)(2) of this section has been attained. 1051~~

~~(3) The owner of an injection well who is issued a permit 1052  
under division (D) of this section shall collect the fee levied by 1053  
division (H) of this section on behalf of the division of oil and 1054  
gas resources management and forward the fee to the division. The 1055~~

~~chief shall transmit all money received under division (H) of this section to the treasurer of state who shall deposit the money in the state treasury to the credit of the oil and gas well fund created in section 1509.02 of the Revised Code. The owner of an injection well who collects the fee levied by this division may retain up to three per cent of the amount that is collected.~~

~~(4) The chief shall adopt rules in accordance with Chapter 119. of the Revised Code establishing requirements and procedures for collection of the fee levied by division (H) of this section.~~

**Sec. 1509.222.** (A)(1) ~~Except as provided in section 1509.226 of the Revised Code, no~~ No person shall transport brine by vehicle in this state unless the business entity that employs the person first registers with and obtains a registration certificate and identification number from the chief of the division of oil and gas resources management.

(2) No more than one registration certificate shall be required of any business entity. Registration certificates issued under this section are not transferable. An applicant shall file an application with the chief, containing such information in such form as the chief prescribes. The application shall include at least all of the following:

(a) A list that identifies each vehicle, vessel, railcar, and container that will be used in the transportation of brine;

(b) A plan for disposal that provides for compliance with the requirements of this chapter and rules of the chief pertaining to the transportation of brine by vehicle and the disposal of brine so transported and that lists all disposal sites that the applicant intends to use;

(c) The bond required by section 1509.225 of the Revised Code;

(d) A certificate issued by an insurance company authorized 1086  
to do business in this state certifying that the applicant has in 1087  
force a liability insurance policy in an amount not less than 1088  
three hundred thousand dollars bodily injury coverage and three 1089  
hundred thousand dollars property damage coverage to pay damages 1090  
for injury to persons or property caused by the collecting, 1091  
handling, transportation, or disposal of brine. 1092

The insurance policy required by division (A)(2)(d) of this 1093  
section shall be maintained in effect during the term of the 1094  
registration certificate. The policy or policies providing the 1095  
coverage shall require the insurance company to give notice to the 1096  
chief if the policy or policies lapse for any reason. Upon such 1097  
termination of the policy, the chief may suspend the registration 1098  
certificate until proper insurance coverage is obtained. 1099

(3) Each application for a registration certificate shall be 1100  
accompanied by a nonrefundable fee of five hundred dollars. 1101

(4) If a business entity that has been issued a registration 1102  
certificate under this section changes its name due to a business 1103  
reorganization or merger, the business entity shall revise the 1104  
bond or certificates of deposit required by section 1509.225 of 1105  
the Revised Code and obtain a new certificate from an insurance 1106  
company in accordance with division (A)(2)(e) of this section to 1107  
reflect the change in the name of the business entity. 1108

(B) The chief shall issue an order denying an application for 1109  
a registration certificate if the chief finds that either of the 1110  
following applies: 1111

(1) The applicant, at the time of applying for the 1112  
registration certificate, has been found liable by a final 1113  
nonappealable order of a court of competent jurisdiction for 1114  
damage to streets, roads, highways, bridges, culverts, or 1115  
drainways pursuant to section 4513.34 or 5577.12 of the Revised 1116

Code until the applicant provides the chief with evidence of 1117  
compliance with the order. 1118

(2) The applicant's plan for disposal does not provide for 1119  
compliance with the requirements of this chapter and rules of the 1120  
chief pertaining to the transportation of brine by vehicle and the 1121  
disposal of brine so transported. 1122

(C) No applicant shall attempt to circumvent division (B) of 1123  
this section by applying for a registration certificate under a 1124  
different name or business organization name, by transferring 1125  
responsibility to another person or entity, or by any similar act. 1126

(D) A registered transporter shall apply to revise a disposal 1127  
plan under procedures that the chief shall prescribe by rule. 1128  
However, at a minimum, an application for a revision shall list 1129  
all sources and disposal sites of brine currently transported. The 1130  
chief shall deny any application for a revision of a plan under 1131  
this division if the chief finds that the proposed revised plan 1132  
does not provide for compliance with the requirements of this 1133  
chapter and rules of the chief pertaining to the transportation of 1134  
brine by vehicle and the disposal of brine so transported. 1135  
Approvals and denials of revisions shall be by order of the chief. 1136

(E) The chief may adopt rules, issue orders, and attach terms 1137  
and conditions to registration certificates as may be necessary to 1138  
administer, implement, and enforce sections 1509.222 to ~~1509.226~~ 1139  
1509.225 of the Revised Code for protection of public health or 1140  
safety or conservation of natural resources. 1141

**Sec. 1509.223.** (A) No permit holder or owner of a well shall 1142  
enter into an agreement with or permit any person to transport 1143  
brine produced from the well who is not registered pursuant to 1144  
section 1509.222 of the Revised Code ~~or exempt from registration~~ 1145  
~~under section 1509.226 of the Revised Code.~~ 1146

(B) Each registered transporter shall file with the chief of 1147  
the division of oil and gas resources management, on or before the 1148  
fifteenth day of April, a statement concerning brine transported, 1149  
including quantities transported and source and delivery points, 1150  
during the last preceding calendar year, and such other 1151  
information in such form as the chief may prescribe. 1152

(C) Each registered transporter shall keep on each vehicle 1153  
used to transport brine a daily log and have it available upon the 1154  
request of the chief or an authorized representative of the chief 1155  
or a peace officer. The log shall, at a minimum, include all of 1156  
the following information: 1157

(1) The name of the owner or owners of the well or wells 1158  
producing the brine to be transported; 1159

(2) The date and time the brine is loaded; 1160

(3) The name of the driver; 1161

(4) The amount of brine loaded at each collection point; 1162

(5) The disposal location; 1163

(6) The date and time the brine is disposed of and the amount 1164  
of brine disposed of at each location. 1165

The chief, by rule, may establish procedures for the 1166  
electronic submission to the chief of the information that is 1167  
required to be included in the daily log. No registered 1168  
transporter shall falsify or fail to keep or submit the log 1169  
required by this division. 1170

(D) Each registered transporter shall legibly identify with 1171  
reflective paints all vehicles employed in transporting or 1172  
disposing of brine. Letters shall be no less than four inches in 1173  
height and shall indicate the identification number issued by the 1174  
chief, the word "brine," and the name and telephone number of the 1175  
transporter. 1176

(E) The chief shall maintain and keep a current list of 1177  
persons registered to transport brine under section 1509.222 of 1178  
the Revised Code. The list shall be open to public inspection. It 1179  
is an affirmative defense to a charge under division (A) of this 1180  
section that at the time the permit holder or owner of a well 1181  
entered into an agreement with or permitted a person to transport 1182  
brine, the person was shown on the list as currently registered to 1183  
transport brine. 1184

**Sec. 1509.224.** (A) In addition to any other remedies provided 1185  
in this chapter, if the chief of the division of oil and gas 1186  
resources management has reason to believe that a pattern of the 1187  
same or similar violations of any requirements of section 1509.22, 1188  
1509.222, or 1509.223 of the Revised Code, or any rule adopted 1189  
thereunder or term or condition of the registration certificate 1190  
issued thereunder exists or has existed, and the violations are 1191  
caused by the transporter's indifference, lack of diligence, or 1192  
lack of reasonable care, or are willfully caused by the 1193  
transporter, the chief shall immediately issue an order to the 1194  
transporter to show cause why the certificate should not be 1195  
suspended or revoked. After the issuance of the order, the chief 1196  
shall provide the transporter an opportunity to be heard and to 1197  
present evidence at an informal hearing conducted by the chief. 1198  
If, at the conclusion of the hearing, the chief finds that such a 1199  
pattern of violations exists or has existed, the chief shall issue 1200  
an order suspending or revoking the transporter's registration 1201  
certificate. An order suspending or revoking a certificate under 1202  
this section may be appealed under sections 1509.36 and 1509.37 of 1203  
the Revised Code, or notwithstanding any other provision of this 1204  
chapter, may be appealed directly to the court of common pleas of 1205  
Franklin county. 1206

(B) Before issuing an order denying a registration 1207  
certificate; approving or denying approval of an application for 1208

revision of a registered transporter's plan for disposal; or to 1209  
implement, administer, or enforce section 1509.22, 1509.222, 1210  
1509.223, or 1509.225, ~~or 1509.226~~ of the Revised Code and rules 1211  
and terms and conditions of registration certificates adopted or 1212  
issued thereunder pertaining to the transportation of brine by 1213  
vehicle and the disposal of brine so transported, the chief shall 1214  
issue a preliminary order indicating the chief's intent to issue a 1215  
final order. The preliminary order shall clearly state the nature 1216  
of the chief's proposed action and the findings on which it is 1217  
based and shall state that the preliminary order becomes a final 1218  
order thirty days after its issuance unless the person to whom the 1219  
preliminary order is directed submits to the chief a written 1220  
request for an informal hearing before the chief within that 1221  
thirty-day period. At the hearing the person may present evidence 1222  
as to why the preliminary order should be revoked or modified. 1223  
Based upon the findings from the informal hearing, the chief shall 1224  
revoke, issue, or modify and issue the preliminary order as a 1225  
final order. A final order may be appealed under sections 1509.36 1226  
and 1509.37 of the Revised Code. 1227

**Section 2.** That existing sections 1509.01, 1509.02, 1509.03, 1228  
1509.05, 1509.06, 1509.08, 1509.21, 1509.22, 1509.222, 1509.223, 1229  
and 1509.224 and section 1509.226 of the Revised Code are hereby 1230  
repealed. 1231

**Section 3.** Notwithstanding section 1509.22 of the Revised 1232  
Code, as amended by this act, both of the following apply: 1233

(A) The surface application of brine in accordance with a 1234  
contract entered into pursuant to section 1509.226 of the Revised 1235  
Code prior to its repeal by this act may continue until the 1236  
expiration or termination of the contract. 1237

(B) The deep well injection of brine that was authorized 1238  
under section 1509.22 of the Revised Code as that section existed 1239



prior to its amendment by this act and that is conducted in	1240
accordance with a contract entered into prior to the effective	1241
date of this act may continue until the expiration or termination	1242
of the contract.	1243