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132nd General Assembly

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Sub. H. B. No. 225

Representative Thompson

Cosponsors: Representatives Hambley, Householder, Stein, Brenner, Riedel, Dean, Schaffer, Seitz, Keller, Edwards, Greenspan, Patterson, Goodman, Wiggam, Retherford, Ginter, Barnes, Young, Romanchuk, Landis, Kick, Patton, Faber, West, Boccieri, Hagan, O'Brien, Gavarone, Anielski, Antonio, Arndt, Boyd, Carfagna, Craig, Green, Holmes, Hoops, Johnson, Kent, Lang, LaTourette, Lepore-Hagan, Manning, Miller, Pelanda, Reineke, Roegner, Rogers, Ryan, Schuring, Sheehy, Slaby, Smith, K., Smith, R., Sprague, Sweeney, Vitale

A BILL

To amend sections 1509.071, 1509.13, 1509.151, and 1509.34 of the Revised Code and to amend Sections 503.20 and 512.20 of Am. Sub. H.B. 49 of the 132nd General Assembly to modify the law governing idle and orphaned oil and gas wells.

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

Section 1. That sections 1509.071, 1509.13, 1509.151, and 1509.34 of the Revised Code be amended to read as follows:

Sec. 1509.071. (A) When the chief of the division of oil and gas resources management finds that an owner has failed to comply with a final nonappealable order issued or compliance agreement entered into under section 1509.04, the restoration requirements of section 1509.072, plugging requirements of section 1509.12, or permit provisions of section 1509.13 of the Revised Code, or rules and orders relating thereto, the chief

shall make a finding of that fact and declare any surety bond 15
filed to ensure compliance with those sections and rules 16
forfeited in the amount set by rule of the chief. The chief 17
thereupon shall certify the total forfeiture to the attorney 18
general, who shall proceed to collect the amount of the 19
forfeiture. In addition, the chief may require an owner, 20
operator, producer, or other person who forfeited a surety bond 21
to post a new surety bond in the amount of fifteen thousand 22
dollars for a single well, thirty thousand dollars for two 23
wells, or fifty thousand dollars for three or more wells. 24

In lieu of total forfeiture, the surety or owner, at the 25
surety's or owner's option, may cause the well to be properly 26
plugged and abandoned and the area properly restored or pay to 27
the treasurer of state the cost of plugging and abandonment. 28

(B) (1) All moneys collected because of forfeitures of 29
bonds as provided in this section shall be deposited in the 30
state treasury to the credit of the oil and gas well fund 31
created in section 1509.02 of the Revised Code. 32

~~The~~ For purposes of promoting the competent management and 33
conservation of the state's oil and natural gas resources and 34
the proper and lawful plugging of historic oil and gas wells for 35
which there is no known responsible owner, the chief annually 36
shall spend not less than ~~fourteen~~ forty-five per cent of the 37
revenue credited to the oil and gas well fund during the 38
previous fiscal year for both of the following purposes: 39

~~(1)~~ (a) In accordance with division ~~(D)~~ (E) of this 40
section, to plug idle and orphaned wells or to restore the land 41
surface properly as required in section 1509.072 of the Revised 42
Code; 43

~~(2)~~ (b) In accordance with division ~~(E)~~ (F) of this 44
section, to correct conditions that the chief reasonably has 45
determined are causing imminent health or safety risks at an 46
idle and orphaned well or a well for which the owner cannot be 47
contacted in order to initiate a corrective action within a 48
reasonable period of time as determined by the chief. 49

(2) Expenditures from the fund shall be made only for 50
lawful purposes. In addition, expenditures from the fund shall 51
not be made to purchase real property or to remove a dwelling in 52
order to access a well. 53

The director of budget and management, in consultation 54
with the chief, shall establish an accounting code for purposes 55
of tracking expenditures made as required under this division. 56

(C) (1) If a landowner discovers an idle and orphaned well 57
or abandoned well on the landowner's real property and the 58
landowner is not the owner of the well, the landowner may report 59
the existence of the well in writing to the chief. 60

(2) If the chief receives a written report from a 61
landowner of the existence of an idle and orphaned well, the 62
chief shall inspect the well not later than thirty days after 63
the date of receipt of the landowner's report. 64

(3) The chief shall establish a scoring matrix for use in 65
determining the priority of plugging wells or restoring land 66
surfaces at idle and orphaned well sites for purposes of this 67
section. The matrix shall include a classification system that 68
categorizes idle and orphaned wells as distressed-high priority, 69
moderate-medium priority, and maintenance-low priority. 70

(4) The chief shall use the matrix developed under 71
division (C) (3) of this section to prioritize plugging and land 72

restoration projects under this section. 73

~~(D) (1) Upon determining that the owner of a well has~~ 74
~~failed to properly plug and abandon it or to properly restore~~ 75
~~the land surface at the well site in compliance with the~~ 76
~~applicable requirements of this chapter and applicable rules~~ 77
~~adopted and orders issued under it or that a well is an~~ 78
~~abandoned idle and orphaned well for which no funds are~~ 79
~~available to plug the well in accordance with this chapter, the~~ 80
chief shall do all of the following: 81

(a) ~~Determine~~ Make a reasonable attempt to determine from 82
the records in the office of the county recorder of the county 83
in which the well is located the identity of the current owner 84
of the land on which the well is located, ~~the identity of the~~ 85
~~owner of the oil or gas lease under which the well was drilled~~ 86
~~or~~ the identity of each person owning an a right or interest in 87
the ~~lease~~ oil or gas mineral interests, and the identities of 88
the persons having ~~legal title to, or a lien upon,~~ any of the 89
equipment appurtenant to the well~~†~~. For purposes of division (D) 90
(1) (a) of this section, the chief is not required to review 91
records in the office of the county recorder that are older than 92
forty years from the date on which the chief made the 93
determination that the well is an idle and orphaned well. 94

(b) ~~Mail notice to the owner of the land on which the well~~ 95
~~is located informing the landowner that the well is to be~~ 96
~~plugged. If the owner of the oil or gas lease under which the~~ 97
~~well was drilled is different from the owner of the well or if~~ 98
~~any persons other than the owner of the well own interests in~~ 99
~~the lease, the chief also shall mail notice that the well is to~~ 100
~~be plugged to the owner of the lease or to each person owning an~~ 101
~~interest in the lease, as appropriate.~~ each person identified in 102

division (D) (1) (a) of this section; 103

(c) ~~Mail~~ Include in the notice to each person having ~~legal~~ 104
~~title to, or a lien upon,~~ any equipment appurtenant to the well, 105
a statement informing the person that the well is to be plugged 106
and offering the person the opportunity to ~~plug the well and~~ 107
~~restore the land surface at~~ remove that equipment from the well 108
site at the person's own expense in order to avoid forfeiture of 109
the equipment to this state; 110

(d) Publish notice in a newspaper of general circulation 111
in the county where the well is located that the well is to be 112
plugged. 113

(2) If ~~none~~ the current address of a person identified in 114
division (D) (1) (a) of this section cannot be determined, or if a 115
notice provided by mail to a person under division (D) (1) (b) of 116
this section is returned undeliverable, the notice published 117
under division (D) (1) (d) of this section constitutes sufficient 118
notice to the person. 119

(3) If none of the persons described in division ~~(C) (1) (e)~~ 120
(D) (1) (a) of this section ~~plugs~~ removes equipment from the well 121
within ~~sixty~~ thirty days after the mailing of the notice 122
~~required by that division~~ or publication in a newspaper of 123
general circulation, whichever is later, all equipment 124
appurtenant to the well is hereby declared to be forfeited to 125
this state without compensation and without the necessity for 126
any action by the state for use to defray the cost of plugging 127
~~and abandoning~~ the well and restoring the land surface at the 128
well site. 129

~~(D) Expenditures~~ (E) The chief may expend money from the 130
oil and gas well fund for the purpose of division (B) (1) (a) of 131

this section, and such expenditures shall be made in accordance 132
with either of the following: 133

(1) The chief may make expenditures ~~may be made~~ pursuant 134
to contracts entered into by either the chief or another agency 135
of the state with persons who agree to furnish all of the 136
materials, equipment, work, and labor as specified and provided 137
in such a contract for activities associated with the 138
restoration or plugging of a well as determined by the chief. If 139
another agency of the state enters into the contract, the chief 140
shall prepare the scope of work for the restoration or plugging 141
of the well. The activities may include excavation to uncover a 142
well, geophysical methods to locate a buried well when clear 143
evidence of leakage from the well exists, cleanout of wellbores 144
to remove material from a failed ~~plugging of a plugged~~ well, 145
plugging operations, installation of vault and vent systems, 146
including associated engineering certifications and permits, 147
restoration of property, and repair of damage to property that 148
is caused by such activities. ~~Expenditures~~ The chief shall not 149
~~be used~~ make expenditures for salaries, maintenance, equipment, 150
or other administrative purposes, except for costs directly 151
attributed to the plugging of an idle and orphaned well. Agents 152
or employees of persons contracting with the chief for a 153
restoration or plugging project may enter upon any land, public 154
or private, on which the well is located for the purpose of 155
performing the work. Prior to such entry, the chief shall give 156
to the following persons written notice of the existence of a 157
contract for a project to restore a location or plug a well, the 158
names of the persons with whom the contract is made, and the 159
date that the project will commence: the owner of the well, the 160
owner of the land upon which the well is located, ~~the owner or~~ 161
~~agents of adjoining land,~~ and, if the well is located in the 162

same township as or in a township adjacent to the excavations 163
and workings of a mine and the owner or lessee of that mine has 164
provided written notice identifying those townships to the chief 165
at any time during the immediately preceding three years, the 166
owner or lessee of the mine. The chief may include in the notice 167
to the owner or lessee of the mine additional information, such 168
as authorization to plug an idle and orphaned well under section 169
1509.151 of the Revised Code. 170

(2) (a) The owner of the land on which a well is located 171
who has received notice under division ~~(C)~~(D) (1) (b) of this 172
section may plug the well and be reimbursed by the division of 173
oil and gas resources management for the reasonable cost of 174
plugging the well. In order to plug the well, the landowner 175
shall submit an application to the chief on a form prescribed by 176
the chief and approved by the technical advisory council on oil 177
and gas created in section 1509.38 of the Revised Code. The 178
application, at a minimum, shall require the landowner to 179
provide the same information as is required to be included in 180
the application for a permit to plug and abandon under section 181
1509.13 of the Revised Code. The application shall be 182
accompanied by a copy of a proposed contract to plug the well 183
prepared by a contractor regularly engaged in the business of 184
plugging oil and gas wells. The proposed contract shall require 185
the contractor to furnish all of the materials, equipment, work, 186
and labor necessary to plug the well properly and shall specify 187
the price for doing the work, including a credit for the 188
equipment appurtenant to the well that was forfeited to the 189
state through the operation of division ~~(C)~~(2) ~~(D)~~(3) of this 190
section. The contractor shall be insured and bonded. 191
Expenditures under division ~~(D)~~(E) (2) (a) of this section shall 192
be consistent with the expenditures for activities described in 193

division ~~(D)~~(E)(1) of this section. ~~The application also shall~~ 194
~~be accompanied by the permit fee required by section 1509.13 of~~ 195
~~the Revised Code unless the chief, in the chief's discretion,~~ 196
~~waives payment of the permit fee.~~ The application constitutes an 197
application for a permit to plug and ~~abandon~~ the well for the 198
purposes of section 1509.13 of the Revised Code and the 199
applicant is not required to submit the fee otherwise required 200
under that section. 201

(b) Within thirty days after receiving an application and 202
accompanying proposed contract under division ~~(D)~~(E)(2)(a) of 203
this section, the chief shall determine whether the plugging 204
would comply with the applicable requirements of this chapter 205
and applicable rules adopted and orders issued under it and 206
whether the cost of the plugging under the proposed contract is 207
reasonable. If the chief determines that the proposed plugging 208
would comply with those requirements and that the proposed cost 209
of the plugging is reasonable, the chief shall notify the 210
landowner of that determination and issue to the landowner a 211
permit to plug and ~~abandon~~ the well under section 1509.13 of the 212
Revised Code. Upon approval of the application and proposed 213
contract, the ~~chief shall transfer~~ ownership of the equipment 214
appurtenant to the well is transferred to the landowner. The 215
chief may disapprove an application submitted under division ~~(D)~~ 216
~~(E)~~(2)(a) of this section if the chief determines that the 217
proposed plugging would not comply with the applicable 218
requirements of this chapter and applicable rules adopted and 219
orders issued under it, that the cost of the plugging under the 220
proposed contract is unreasonable, or that the proposed contract 221
is not a bona fide, arm's length contract. 222

(c) After receiving the chief's notice of the approval of 223
the application and permit to plug and abandon a well under 224

division ~~(D)~~(E) (2) (b) of this section, the landowner shall enter 225
into the proposed contract to plug the well. 226

(d) Upon determining that the plugging has been completed 227
in compliance with the applicable requirements of this chapter 228
and applicable rules adopted and orders issued under it, the 229
chief shall ~~reimburse the landowner~~ pay the contractor for the 230
cost of the plugging and restoration as set forth in the 231
proposed contract approved by the chief. The ~~reimbursement~~ 232
payment shall be paid from the oil and gas well fund. If the 233
chief determines that the plugging was not completed in 234
accordance with the applicable requirements, the chief shall not 235
~~reimburse~~ pay the landowner contractor for the cost of the 236
plugging, and the landowner or the contractor, as applicable, 237
promptly shall transfer back to this state title to and 238
possession of the equipment appurtenant to the well that 239
previously was transferred to the landowner under division ~~(D)~~ 240
(E) (2) (b) of this section. If any such equipment was removed 241
from the well during the plugging and sold, the landowner shall 242
pay to the chief the proceeds from the sale of the equipment, 243
and the chief promptly shall pay the moneys so received to the 244
treasurer of state for deposit into the oil and gas well fund. 245

The chief may establish an annual limit on the number of 246
wells that may be plugged under division ~~(D)~~(E) (2) of this 247
section or an annual limit on the expenditures to be made under 248
that division. The chief may reject an application submitted 249
under division (E) (2) of this section if the chief determines 250
that the plugging of other wells take priority. 251

As used in division ~~(D)~~(E) (2) of this section, "plug" and 252
"plugging" include the plugging of the well, installation of a 253
vault and vent, restoration, and the restoration of the land 254

surface disturbed by the plugging. 255

~~(E)~~ (F) (1) Expenditures from the oil and gas well fund for 256
the purpose of division (B) ~~(2)~~ (1) (b) of this section may be 257
made pursuant to contracts entered into by either the chief or 258
another agency of the state with persons who agree to furnish 259
all of the materials, equipment, work, and labor as specified 260
and provided in such a contract. The competitive bidding 261
requirements of Chapter 153. of the Revised Code do not apply if 262
the chief reasonably determines that ~~an emergency a~~ situation 263
exists requiring immediate action for the correction of the 264
applicable health or safety risk. A contract or purchase of 265
materials for purposes of addressing the emergency situation is 266
not subject to division (B) of section 127.16 of the Revised 267
Code. The chief, designated representatives of the chief, and 268
agents or employees of persons contracting with the chief under 269
this division may enter upon any land, public or private, for 270
the purpose of performing the work. 271

~~(F)~~ (2) The chief shall issue an order that requires the 272
owner of a well to pay the actual documented costs of a 273
corrective action that is described in division (B) (1) (b) of 274
this section concerning the well. The chief shall transmit the 275
money so recovered to the treasurer of state who shall deposit 276
the money in the state treasury to the credit of the oil and gas 277
well fund. 278

(G) Contracts entered into by either the chief or another 279
agency of the state under this section are not subject to any of 280
the following: 281

(1) Chapter 4115. of the Revised Code; 282

(2) Section 153.54 of the Revised Code, ~~except that the~~ 283

~~contractor shall obtain and provide to the chief as a bid- 284~~
~~guaranty a surety bond or letter of credit in an amount equal to 285~~
~~ten per cent of the amount of the contract; 286~~

(3) Section 4733.17 of the Revised Code. 287

~~(G)~~ (H) The owner of land on which a well is located who 288
has received notice under division ~~(C)~~ (D) (1) (b) of this section, 289
in lieu of plugging the well in accordance with division ~~(D)~~ (E) 290
(2) of this section, may cause ownership of the well to be 291
transferred to an owner who is lawfully doing business in this 292
state and who has met the financial responsibility requirements 293
established under section 1509.07 of the Revised Code, subject 294
to the approval of the chief. The transfer of ownership also 295
shall be subject to the landowner's filing the appropriate forms 296
required under section 1509.31 of the Revised Code and providing 297
to the chief sufficient information to demonstrate the 298
landowner's or owner's right to produce a formation or 299
formations. That information may include a deed, a lease, or 300
other documentation of ownership or property rights. 301

The chief shall approve or disapprove by order the 302
transfer of ownership of the well. If the chief approves the 303
transfer, the owner is responsible for operating the well in 304
accordance with this chapter and rules adopted under it, 305
including, without limitation, all of the following: 306

(1) Filing an application with the chief under section 307
1509.06 of the Revised Code if the owner intends to drill deeper 308
or produce a formation that is not listed in the records of the 309
division for that well; 310

(2) Taking title to and possession of the equipment 311
appurtenant to the well that has been identified by the chief as 312

having been abandoned by the former owner; 313

(3) Complying with all applicable requirements that are 314
necessary to drill deeper, plug the well, or plug back the well. 315

~~(H) The chief shall issue an order that requires the owner 316
of a well to pay the actual documented costs of a corrective 317
action that is described in division (B) (2) of this section 318
concerning the well. The chief shall transmit the money so 319
recovered to the treasurer of state who shall deposit the money 320
in the state treasury to the credit of the oil and gas well 321
fund. 322~~

(I) The chief may engage in cooperative projects under 323
this section with any agency of this state, another state, or 324
the United States; any other governmental agencies; or any state 325
university or college as defined in section 3345.27 of the 326
Revised Code. A contract entered into for purposes of a 327
cooperative project is not subject to division (B) of section 328
127.16 of the Revised Code. 329

(J) (1) On or before the close of each calendar quarter, 330
the chief shall submit a written report to the technical 331
advisory council established under section 1509.38 of the 332
Revised Code describing the efforts of the division of oil and 333
gas resources management to plug idle and orphaned wells during 334
the immediately preceding calendar quarter. The chief also shall 335
include in the report all of the following information: 336

(a) The total number of known idle and orphaned wells in 337
the state and the total number in each county of the state; 338

(b) The total number of newly discovered idle and orphaned 339
wells during the immediately preceding calendar quarter; 340

(c) The total number of wells plugged in accordance with 341

this section during the immediately preceding calendar quarter; 342

(d) The total number of wells plugged in accordance with 343
this section and the estimated average and indirect costs of 344
plugging activities conducted under this section prior to the 345
date of the report; 346

(e) The number of wells approved for plugging in 347
accordance with this section and the estimated average and 348
indirect costs of plugging activities conducted under this 349
section during the immediately preceding calendar quarter. 350

(2) Not later than the thirty-first day of March of each 351
year, the chief and the technical advisory council shall jointly 352
provide to the speaker of the house of representatives and the 353
chair of the committee of the house of representatives 354
responsible for energy and natural resources issues a report 355
containing, at a minimum, the information required to be 356
included in the quarterly reports during the previous one-year 357
period. 358

Sec. 1509.13. (A) No person shall plug and abandon a well 359
without having a permit to do so issued by the chief of the 360
division of oil and gas resources management. The permit shall 361
be issued by the chief in accordance with this chapter and shall 362
be valid for a period of twenty-four months from the date of 363
issue. 364

(B) Application by the owner for a permit to plug and 365
abandon shall be filed as many days in advance as will be 366
necessary for an oil and gas resources inspector or, if the well 367
is located in a coal bearing township, both a deputy mine 368
inspector and an oil and gas resources inspector to be present 369
at the plugging. The application shall be filed with the chief 370

upon a form that the chief prescribes and shall contain the 371
following information: 372

(1) The name and address of the owner; 373

(2) The signature of the owner or the owner's authorized 374
agent. When an authorized agent signs an application, it shall 375
be accompanied by a certified copy of the appointment as that 376
agent. 377

(3) The location of the well identified by section or lot 378
number, city, village, township, and county; 379

(4) Designation of well by name and number; 380

(5) The total depth of the well to be plugged; 381

(6) The date and amount of last production from the well; 382

(7) Other data that the chief may require. 383

(C) If-Except as otherwise provided in division (E) (2) (a) 384
of section 1509.071 of the Revised Code, if oil or gas has been 385
produced from the well, the application shall be accompanied by 386
a fee of two hundred fifty dollars. If a well has been drilled 387
in accordance with law and the permit is still valid, the permit 388
holder may receive approval to plug the well from an oil and gas 389
resources inspector so that the well can be plugged and 390
abandoned without undue delay. Unless waived by an oil and gas 391
resources inspector, the owner of a well or the owner's 392
authorized representative shall notify an oil and gas resources 393
inspector at least twenty-four hours prior to the commencement 394
of the plugging of a well. No well shall be plugged and 395
abandoned without an oil and gas resources inspector present 396
unless permission has been granted by the chief. The owner of a 397
well that has produced oil or gas shall give written notice at 398

the same time to the owner of the land upon which the well is 399
located and to all lessors that receive gas from the well 400
pursuant to a lease agreement. If the well penetrates or passes 401
within one hundred feet of the excavations and workings of a 402
mine, the owner of the well shall give written notice to the 403
owner or lessee of that mine, of the well owner's intention to 404
abandon the well and of the time when the well owner will be 405
prepared to commence plugging it. 406

(D) An applicant may file a request with the chief for 407
expedited review of an application for a permit to plug and 408
abandon a well. The chief may refuse to accept a request for 409
expedited review if, in the chief's judgment, acceptance of the 410
request will prevent the issuance, within twenty-one days of 411
filing, of permits for which applications filed under section 412
1509.06 of the Revised Code are pending. In addition to a 413
complete application for a permit that meets the requirements of 414
this section and the permit fee prescribed by this section, if 415
applicable, a request shall be accompanied by a nonrefundable 416
filing fee of five hundred dollars unless the chief has ordered 417
the applicant to plug and abandon the well. When a request for 418
expedited review is filed, the chief shall immediately begin to 419
process the application and shall issue a permit within seven 420
days of the filing of the request unless the chief, by order, 421
denies the application. 422

(E) This section does not apply to a well plugged or 423
abandoned in compliance with section 1571.05 of the Revised 424
Code. 425

Sec. 1509.151. If a mine operator is about to encounter or 426
encounters an ~~abandoned~~ idle and orphaned well whose existence 427
is detrimental to the mining operation, the mine operator may 428

plug the well at his own expense in accordance with ~~all statutes~~ 429
~~and rules governing the plugging of abandoned wells that apply~~ 430
~~to any plugging under this section~~ chapter and rules adopted 431
under it. 432

Sec. 1509.34. (A) (1) If an owner fails to pay the fees 433
imposed by this chapter, or if the chief of the division of oil 434
and gas resources management incurs costs under division ~~(E)~~ (F) 435
of section 1509.071 of the Revised Code to correct conditions 436
associated with the owner's well that the chief reasonably has 437
determined are causing imminent health or safety risks, the 438
division of oil and gas resources management shall have a 439
priority lien against that owner's interest in the applicable 440
well in front of all other creditors for the amount of any such 441
unpaid fees and costs incurred. The chief shall file a statement 442
in the office of the county recorder of the county in which the 443
applicable well is located of the amount of the unpaid fees and 444
costs incurred as described in this division. The statement 445
shall constitute a lien on the owner's interest in the well as 446
of the date of the filing. The lien shall remain in force so 447
long as any portion of the lien remains unpaid or until the 448
chief issues a certificate of release of the lien. If the chief 449
issues a certificate of release of the lien, the chief shall 450
file the certificate of release in the office of the applicable 451
county recorder. 452

(2) A lien imposed under division (A) (1) of this section 453
shall be in addition to any lien imposed by the attorney general 454
for failure to pay the assessment imposed by section 1509.50 of 455
the Revised Code or the tax levied under division (A) (5) or (6) 456
of section 5749.02 of the Revised Code, as applicable. 457

(3) If the attorney general cannot collect from a severer 458

or an owner for an outstanding balance of amounts due under 459
section 1509.50 of the Revised Code or of unpaid taxes levied 460
under division (A) (5) or (6) of section 5749.02 of the Revised 461
Code, as applicable, the tax commissioner may request the chief 462
to impose a priority lien against the owner's interest in the 463
applicable well. Such a lien has priority in front of all other 464
creditors. 465

(B) The chief promptly shall issue a certificate of 466
release of a lien under either of the following circumstances: 467

(1) Upon the repayment in full of the amount of unpaid 468
fees imposed by this chapter or costs incurred by the chief 469
under division ~~(E)~~ (F) of section 1509.071 of the Revised Code 470
to correct conditions associated with the owner's well that the 471
chief reasonably has determined are causing imminent health or 472
safety risks; 473

(2) Any other circumstance that the chief determines to be 474
in the best interests of the state. 475

(C) The chief may modify the amount of a lien under this 476
section. If the chief modifies a lien, the chief shall file a 477
statement in the office of the county recorder of the applicable 478
county of the new amount of the lien. 479

(D) An owner regarding which the division has recorded a 480
lien against the owner's interest in a well in accordance with 481
this section shall not transfer a well, lease, or mineral rights 482
to another owner or person until the chief issues a certificate 483
of release for each lien against the owner's interest in the 484
well. 485

(E) All money from the collection of liens under this 486
section shall be deposited in the state treasury to the credit 487

of the oil and gas well fund created in section 1509.02 of the Revised Code. 488
489

Section 2. That existing sections 1509.071, 1509.13, 490
1509.151, and 1509.34 of the Revised Code are hereby repealed. 491

Section 3. That Section 503.20 of Am. Sub. H.B. 49 of the 492
132nd General Assembly be amended to read as follows: 493

Sec. 503.20. SATISFACTION OF JUDGMENTS AND SETTLEMENTS 494
AGAINST THE STATE 495

Except as otherwise provided in this section, an 496
appropriation in this act or any other act may be used for the 497
purpose of satisfying judgments, settlements, or administrative 498
awards ordered or approved by the Court of Claims or by any 499
other court of competent jurisdiction in connection with civil 500
actions against the state. This authorization does not apply to 501
appropriations to be applied to or used for payment of 502
guarantees by or on behalf of the state, or for payments under 503
lease agreements relating to, or debt service on, bonds, notes, 504
or other obligations of the state. This authorization, and any 505
transfers authorized under this section, do not apply to 506
appropriations from the Oil and Gas Well Fund (Fund 5180), 507
created in section 1509.02 of the Revised Code. Notwithstanding 508
any other statute to the contrary, this authorization includes 509
appropriations from funds into which proceeds of direct 510
obligations of the state are deposited only to the extent that 511
the judgment, settlement, or administrative award is for, or 512
represents, capital costs for which the appropriation may 513
otherwise be used and is consistent with the purpose for which 514
any related obligations were issued or entered into. Nothing 515
contained in this section is intended to subject the state to 516
suit in any forum in which it is not otherwise subject to suit, 517

and is not intended to waive or compromise any defense or right 518
available to the state in any suit against it. 519

Section 4. That existing Section 503.20 of Am. Sub. H.B. 520
49 of the 132nd General Assembly is hereby repealed. 521

Section 5. That Section 512.20 of Am. Sub. H.B. 49 of the 522
132nd General Assembly be amended to read as follows: 523

Sec. 512.20. CASH TRANSFERS TO THE GENERAL REVENUE FUND 524
FROM NON-GRF FUNDS 525

Notwithstanding any provision of law to the contrary, the 526
Director of Budget and Management may transfer up to 527
\$200,000,000 in cash, during the biennium ending June 30, 2019, 528
from non-General Revenue Funds that are not constitutionally 529
restricted to the General Revenue Fund. This authorization, and 530
any transfers authorized under this section, do not apply to 531
appropriations from the Oil and Gas Well Fund (Fund 5180), 532
created in section 1509.02 of the Revised Code. 533

Section 6. That existing Section 512.20 of Am. Sub. H.B. 534
49 of the 132nd General Assembly is hereby repealed. 535