

As Introduced

**132nd General Assembly
Regular Session
2017-2018**

S. B. No. 50

Senator Skindell

A BILL

To amend sections 1509.01, 1509.02, 1509.03, 1
1509.05, 1509.06, 1509.08, 1509.21, 1509.22, 2
1509.222, 1509.223, 1509.224, and 1509.99, to 3
enact section 1509.051, and to repeal section 4
1509.226 of the Revised Code to to prohibit land 5
application and deep well injection of brine, to 6
prohibit the conversion of wells, and to 7
eliminate the injection fee that is levied under 8
the Oil and Gas Law. 9

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

Section 1. That sections 1509.01, 1509.02, 1509.03, 11
1509.05, 1509.06, 1509.08, 1509.21, 1509.22, 1509.222, 1509.223, 12
1509.224, and 1509.99 be amended and section 1509.051 of the 13
Revised Code be enacted to read as follows: 14

Sec. 1509.01. As used in this chapter: 15

(A) "Well" means any borehole, whether drilled or bored, 16
within the state for production, extraction, or injection of any 17
gas or liquid mineral, excluding potable water to be used as 18
such, but including natural or artificial brines and oil field 19

waters.	20
(B) "Oil" means crude petroleum oil and all other hydrocarbons, regardless of gravity, that are produced in liquid form by ordinary production methods, but does not include hydrocarbons that were originally in a gaseous phase in the reservoir.	21 22 23 24 25
(C) "Gas" means all natural gas and all other fluid hydrocarbons that are not oil, including condensate.	26 27
(D) "Condensate" means liquid hydrocarbons separated at or near the well pad or along the gas production or gathering system prior to gas processing.	28 29 30
(E) "Pool" means an underground reservoir containing a common accumulation of oil or gas, or both, but does not include a gas storage reservoir. Each zone of a geological structure that is completely separated from any other zone in the same structure may contain a separate pool.	31 32 33 34 35
(F) "Field" means the general area overlaid by one or more pools.	36 37
(G) "Drilling unit" means the minimum acreage on which one well may be drilled, but does not apply to a well for injecting gas into or removing gas from a gas storage reservoir.	38 39 40
(H) "Waste" includes all of the following:	41
(1) Physical waste, as that term generally is understood in the oil and gas industry;	42 43
(2) Inefficient, excessive, or improper use, or the unnecessary dissipation, of reservoir energy;	44 45
(3) Inefficient storing of oil or gas;	46

(4) Locating, drilling, equipping, operating, or producing 47
an oil or gas well in a manner that reduces or tends to reduce 48
the quantity of oil or gas ultimately recoverable under prudent 49
and proper operations from the pool into which it is drilled or 50
that causes or tends to cause unnecessary or excessive surface 51
loss or destruction of oil or gas; 52

(5) Other underground or surface waste in the production 53
or storage of oil, gas, or condensate, however caused. 54

(I) "Correlative rights" means the reasonable opportunity 55
to every person entitled thereto to recover and receive the oil 56
and gas in and under the person's tract or tracts, or the 57
equivalent thereof, without having to drill unnecessary wells or 58
incur other unnecessary expense. 59

(J) "Tract" means a single, individual parcel of land or a 60
portion of a single, individual parcel of land. 61

(K) "Owner," unless referring to a mine, means the person 62
who has the right to drill on a tract or drilling unit, to drill 63
into and produce from a pool, and to appropriate the oil or gas 64
produced therefrom either for the person or for others, except 65
that a person ceases to be an owner with respect to a well when 66
the well has been plugged in accordance with applicable rules 67
adopted and orders issued under this chapter. "Owner" does not 68
include a person who obtains a lease of the mineral rights for 69
oil and gas on a parcel of land if the person does not attempt 70
to produce or produce oil or gas from a well or obtain a permit 71
under this chapter for a well or if the entire interest of a 72
well is transferred to the person in accordance with division 73
(B) of section 1509.31 of the Revised Code. 74

(L) "Royalty interest" means the fee holder's share in the 75

production from a well.	76
(M) "Discovery well" means the first well capable of producing oil or gas in commercial quantities from a pool.	77 78
(N) "Prepared clay" means a clay that is plastic and is thoroughly saturated with fresh water to a weight and consistency great enough to settle through saltwater in the well in which it is to be used, except as otherwise approved by the chief of the division of oil and gas resources management.	79 80 81 82 83
(O) "Rock sediment" means the combined cutting and residue from drilling sedimentary rocks and formation.	84 85
(P) "Excavations and workings," "mine," and "pillar" have the same meanings as in section 1561.01 of the Revised Code.	86 87
(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.	88 89 90
(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.	91 92 93 94 95
(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.	96 97 98 99 100 101 102
(T) "Person" includes any political subdivision,	103

department, agency, or instrumentality of this state; the United States and any department, agency, or instrumentality thereof; any legal entity defined as a person under section 1.59 of the Revised Code; and any other form of business organization or entity recognized by the laws of this state.

(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.

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

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

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

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

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

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

(X) "Exempt domestic well" means a well that meets all of

the following criteria:	132
(1) Is owned by the owner of the surface estate of the tract on which the well is located;	133 134
(2) Is used primarily to provide gas for the owner's domestic use;	135 136
(3) Is located more than two hundred feet horizontal distance from any inhabited private dwelling house other than an inhabited private dwelling house located on the tract on which the well is located;	137 138 139 140
(4) Is located more than two hundred feet horizontal distance from any public building that may be used as a place of resort, assembly, education, entertainment, lodging, trade, manufacture, repair, storage, traffic, or occupancy by the public.	141 142 143 144 145
(Y) "Urbanized area" means an area where a well or production facilities of a well are located within a municipal corporation or within a township that has an unincorporated population of more than five thousand in the most recent federal decennial census prior to the issuance of the permit for the well or production facilities.	146 147 148 149 150 151
(Z) "Well stimulation" or "stimulation of a well" means the process of enhancing well productivity, including hydraulic fracturing operations.	152 153 154
(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	155 156 157 158 159 160

construction, access road construction, well drilling, well 161
completion, well stimulation, well site activities, reclamation, 162
and plugging. "Production operation" also includes all of the 163
following: 164

(1) The piping, equipment, and facilities used for the 165
production and preparation of hydrocarbon gas or liquids for 166
transportation or delivery; 167

(2) The processes of extraction and recovery, lifting, 168
stabilization, treatment, separation, production processing, 169
storage, waste disposal, and measurement of hydrocarbon gas and 170
liquids, including related equipment and facilities; 171

(3) The processes and related equipment and facilities 172
associated with production compression, gas lift, gas injection, 173
fuel gas supply, well drilling, well stimulation, and well 174
completion activities, including dikes, pits, and earthen and 175
other impoundments used for the temporary storage of fluids and 176
waste substances associated with well drilling, well 177
stimulation, and well completion activities; 178

(4) Equipment and facilities at a wellpad or other 179
location that are used for the transportation, handling, 180
recycling, temporary storage, management, processing, or 181
treatment of any equipment, material, and by-products or other 182
substances from an operation at a wellpad that may be used or 183
reused at the same or another operation at a wellpad or that 184
will be disposed of in accordance with applicable laws and rules 185
adopted under them. 186

(BB) "Annular overpressurization" means the accumulation 187
of fluids within an annulus with sufficient pressure to allow 188
migration of annular fluids into underground sources of drinking 189

water.	190
(CC) "Idle and orphaned well" means a well for which a bond has been forfeited or an abandoned well for which no money is available to plug the well in accordance with this chapter and rules adopted under it.	191 192 193 194
(DD) "Temporarily inactive well" means a well that has been granted temporary inactive status under section 1509.062 of the Revised Code.	195 196 197
(EE) "Material and substantial violation" means any of the following:	198 199
(1) Failure to obtain a permit to drill, reopen, convert, plugback, or plug a well under this chapter;	200 201
(2) Failure to obtain, maintain, update, or submit proof of insurance coverage that is required under this chapter;	202 203
(3) Failure to obtain, maintain, update, or submit proof of a surety bond that is required under this chapter;	204 205
(4) Failure to plug an abandoned well or idle and orphaned well unless the well has been granted temporary inactive status under section 1509.062 of the Revised Code or the chief of the division of oil and gas resources management has approved another option concerning the abandoned well or idle and orphaned well;	206 207 208 209 210 211
(5) Failure to restore a disturbed land surface as required by section 1509.072 of the Revised Code;	212 213
(6) Failure to reimburse the oil and gas well fund pursuant to a final order issued under section 1509.071 of the Revised Code;	214 215 216

(7) Failure to comply with a final nonappealable order of the chief issued under section 1509.04 of the Revised Code;	217 218
(8) Failure to submit a report, test result, fee, or document that is required in this chapter or rules adopted under it.	219 220 221
(FF) "Severer" has the same meaning as in section 5749.01 of the Revised Code.	222 223
(GG) "Horizontal well" means a well that is drilled for the production of oil or gas in which the wellbore reaches a horizontal or near horizontal position in the Point Pleasant, Utica, or Marcellus formation and the well is stimulated.	224 225 226 227
(HH) "Well pad" means the area that is cleared or prepared for the drilling of one or more horizontal wells.	228 229
Sec. 1509.02. There is hereby created in the department of natural resources the division of oil and gas resources management, which shall be administered by the chief of the division of oil and gas resources management. The division has sole and exclusive authority to regulate the permitting, location, and spacing of oil and gas wells and production operations within the state, excepting only those activities regulated under federal laws for which oversight has been delegated to the environmental protection agency and activities regulated under sections 6111.02 to 6111.028 of the Revised Code. The regulation of oil and gas activities is a matter of general statewide interest that requires uniform statewide regulation, and this chapter and rules adopted under it constitute a comprehensive plan with respect to all aspects of the locating, drilling, well stimulation, completing, and operating of oil and gas wells within this state, including site	230 231 232 233 234 235 236 237 238 239 240 241 242 243 244 245

construction and restoration, permitting related to those 246
activities, and the disposal of wastes from those wells. In 247
order to assist the division in the furtherance of its sole and 248
exclusive authority as established in this section, the chief 249
may enter into cooperative agreements with other state agencies 250
for advice and consultation, including visitations at the 251
surface location of a well on behalf of the division. Such 252
cooperative agreements do not confer on other state agencies any 253
authority to administer or enforce this chapter and rules 254
adopted under it. In addition, such cooperative agreements shall 255
not be construed to dilute or diminish the division's sole and 256
exclusive authority as established in this section. Nothing in 257
this section affects the authority granted to the director of 258
transportation and local authorities in section 723.01 or 259
4513.34 of the Revised Code, provided that the authority granted 260
under those sections shall not be exercised in a manner that 261
discriminates against, unfairly impedes, or obstructs oil and 262
gas activities and operations regulated under this chapter. 263

The chief shall not hold any other public office, nor 264
shall the chief be engaged in any occupation or business that 265
might interfere with or be inconsistent with the duties as 266
chief. 267

All moneys collected by the chief pursuant to sections 268
1509.06, 1509.061, 1509.062, 1509.071, 1509.13, ~~1509.22,~~ 269
1509.222, 1509.28, 1509.34, and 1509.50 of the Revised Code, 270
ninety per cent of moneys received by the treasurer of state 271
from the tax levied in divisions (A) (5) and (6) of section 272
5749.02 of the Revised Code, all civil penalties paid under 273
section 1509.33 of the Revised Code, and, notwithstanding any 274
section of the Revised Code relating to the distribution or 275
crediting of fines for violations of the Revised Code, all fines 276

imposed under divisions (A) and (B) of section 1509.99 of the Revised Code and fines imposed under divisions (C) and (D) of section 1509.99 of the Revised Code for all violations prosecuted by the attorney general and for violations prosecuted by prosecuting attorneys that do not involve the transportation of brine by vehicle shall be deposited into the state treasury to the credit of the oil and gas well fund, which is hereby created. Fines imposed under divisions (C) and (D) of section 1509.99 of the Revised Code for violations prosecuted by prosecuting attorneys that involve the transportation of brine by vehicle and penalties associated with a compliance agreement entered into pursuant to this chapter shall be paid to the county treasury of the county where the violation occurred.

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

Sec. 1509.03. (A) The chief of the division of oil and gas resources management shall adopt, rescind, and amend, in accordance with Chapter 119. of the Revised Code, rules for the administration, implementation, and enforcement of this chapter. The rules shall include an identification of the subjects that the chief shall address when attaching terms and conditions to a permit with respect to a well and production facilities of a well that are located within an urbanized area or with respect

to a horizontal well and production facilities associated with a 308
horizontal well. The subjects shall include all of the 309
following: 310

(1) Safety concerning the drilling or operation of a well; 311

(2) Protection of the public and private water supply, 312
including the amount of water used and the source or sources of 313
the water; 314

(3) Fencing and screening of surface facilities of a well; 315

(4) Containment and disposal of drilling and production 316
wastes; 317

(5) Construction of access roads for purposes of the 318
drilling and operation of a well; 319

(6) Noise mitigation for purposes of the drilling of a 320
well and the operation of a well, excluding safety and 321
maintenance operations. 322

No person shall violate any rule of the chief adopted 323
under this chapter. 324

(B) (1) Any order issuing, denying, or modifying a permit 325
or notices required to be made by the chief pursuant to this 326
chapter shall be made in compliance with Chapter 119. of the 327
Revised Code, except that personal service may be used in lieu 328
of service by mail. Every order issuing, denying, or modifying a 329
permit under this chapter and described as such shall be 330
considered an adjudication order for purposes of Chapter 119. of 331
the Revised Code. Division (B) (1) of this section does not apply 332
to a permit issued under section 1509.06 of the Revised Code. 333

(2) Where notice to the owners is required by this 334
chapter, the notice shall be given as prescribed by a rule 335

adopted by the chief to govern the giving of notices. The rule 336
shall provide for notice by publication except in those cases 337
where other types of notice are necessary in order to meet the 338
requirements of the law. 339

(C) The chief or the chief's authorized representative may 340
at any time enter upon lands, public or private, for the purpose 341
of administration or enforcement of this chapter, the rules 342
adopted or orders made thereunder, or terms or conditions of 343
permits or registration certificates issued thereunder and may 344
examine and copy records pertaining to the drilling, conversion, 345
or operation of a well for injection of fluids and logs required 346
by division (C) of section 1509.223 of the Revised Code. No 347
person shall prevent or hinder the chief or the chief's 348
authorized representative in the performance of official duties. 349
If entry is prevented or hindered, the chief or the chief's 350
authorized representative may apply for, and the court of common 351
pleas may issue, an appropriate inspection warrant necessary to 352
achieve the purposes of this chapter within the court's 353
territorial jurisdiction. 354

(D) The chief may issue orders to enforce this chapter, 355
rules adopted thereunder, and terms or conditions of permits 356
issued thereunder. Any such order shall be considered an 357
adjudication order for the purposes of Chapter 119. of the 358
Revised Code. No person shall violate any order of the chief 359
issued under this chapter. No person shall violate a term or 360
condition of a permit or registration certificate issued under 361
this chapter. 362

(E) Orders of the chief denying, suspending, or revoking a 363
registration certificate; approving or denying approval of an 364
application for revision of a registered transporter's plan for 365

disposal; or to implement, administer, or enforce division (A) 366
of section 1509.224 and sections 1509.22, 1509.222, 1509.223, 367
and 1509.225, and 1509.226 of the Revised Code pertaining to the 368
transportation of brine by vehicle and the disposal of brine so 369
transported are not adjudication orders for purposes of Chapter 370
119. of the Revised Code. The chief shall issue such orders 371
under division (A) or (B) of section 1509.224 of the Revised 372
Code, as appropriate. 373

Sec. 1509.05. No person shall drill a new well, drill an 374
existing well any deeper, reopen a well, ~~convert a well to any~~ 375
~~use other than its original purpose,~~ or plug back a well to a 376
source of supply different from the existing pool, without 377
having a permit to do so issued by the chief of the division of 378
oil and gas resources management, and until the original permit 379
or a photostatic copy thereof is posted or displayed in a 380
conspicuous and easily accessible place at the well site, with 381
the name, current address, and telephone number of the permit 382
holder and the telephone numbers for fire and emergency medical 383
services maintained on the posted permit or copy. The permit or 384
a copy shall be continuously displayed in that manner at all 385
times during the work authorized by the permit. 386

Sec. 1509.051. No person shall convert a well to a use 387
other than its original purpose. 388

Sec. 1509.06. (A) An application for a permit to drill a 389
new well, drill an existing well deeper, reopen a well, ~~convert~~ 390
~~a well to any use other than its original purpose,~~ or plug back 391
a well to a different source of supply, including associated 392
production operations, shall be filed with the chief of the 393
division of oil and gas resources management upon such form as 394
the chief prescribes and shall contain each of the following 395

that is applicable:	396
(1) The name and address of the owner and, if a	397
corporation, the name and address of the statutory agent;	398
(2) The signature of the owner or the owner's authorized	399
agent. When an authorized agent signs an application, it shall	400
be accompanied by a certified copy of the appointment as such	401
agent.	402
(3) The names and addresses of all persons holding the	403
royalty interest in the tract upon which the well is located or	404
is to be drilled or within a proposed drilling unit;	405
(4) The location of the tract or drilling unit on which	406
the well is located or is to be drilled identified by section or	407
lot number, city, village, township, and county;	408
(5) Designation of the well by name and number;	409
(6) (a) The geological formation to be tested or used and	410
the proposed total depth of the well;	411
(b) If the well is for the injection of a liquid, identity	412
of the geological formation to be used as the injection zone and	413
the composition of the liquid to be injected.	414
(7) The type of drilling equipment to be used;	415
(8) (a) An identification, to the best of the owner's	416
knowledge, of each proposed source of ground water and surface	417
water that will be used in the production operations of the	418
well. The identification of each proposed source of water shall	419
indicate if the water will be withdrawn from the Lake Erie	420
watershed or the Ohio river watershed. In addition, the owner	421
shall provide, to the best of the owner's knowledge, the	422
proposed estimated rate and volume of the water withdrawal for	423

the production operations. If recycled water will be used in the 424
production operations, the owner shall provide the estimated 425
volume of recycled water to be used. The owner shall submit to 426
the chief an update of any of the information that is required 427
by division (A) (8) (a) of this section if any of that information 428
changes before the chief issues a permit for the application. 429

(b) Except as provided in division (A) (8) (c) of this 430
section, for an application for a permit to drill a new well 431
within an urbanized area, the results of sampling of water wells 432
within three hundred feet of the proposed well prior to 433
commencement of drilling. In addition, the owner shall include a 434
list that identifies the location of each water well where the 435
owner of the property on which the water well is located denied 436
the owner access to sample the water well. The sampling shall be 437
conducted in accordance with the guidelines established in "Best 438
Management Practices For Pre-drilling Water Sampling" in effect 439
at the time that the application is submitted. The division 440
shall furnish those guidelines upon request and shall make them 441
available on the division's web site. If the chief determines 442
that conditions at the proposed well site warrant a revision, 443
the chief may revise the distance established in this division 444
for purposes of pre-drilling water sampling. 445

(c) For an application for a permit to drill a new 446
horizontal well, the results of sampling of water wells within 447
one thousand five hundred feet of the proposed horizontal 448
wellhead prior to commencement of drilling. In addition, the 449
owner shall include a list that identifies the location of each 450
water well where the owner of the property on which the water 451
well is located denied the owner access to sample the water 452
well. The sampling shall be conducted in accordance with the 453
guidelines established in "Best Management Practices For Pre- 454

drilling Water Sampling" in effect at the time that the 455
application is submitted. The division shall furnish those 456
guidelines upon request and shall make them available on the 457
division's web site. If the chief determines that conditions at 458
the proposed well site warrant a revision, the chief may revise 459
the distance established in this division for purposes of pre- 460
drilling water sampling. 461

(9) For an application for a permit to drill a new well 462
within an urbanized area, a sworn statement that the applicant 463
has provided notice by regular mail of the application to the 464
owner of each parcel of real property that is located within 465
five hundred feet of the surface location of the well and to the 466
executive authority of the municipal corporation or the board of 467
township trustees of the township, as applicable, in which the 468
well is to be located. In addition, the notice shall contain a 469
statement that informs an owner of real property who is required 470
to receive the notice under division (A) (9) of this section that 471
within five days of receipt of the notice, the owner is required 472
to provide notice under section 1509.60 of the Revised Code to 473
each residence in an occupied dwelling that is located on the 474
owner's parcel of real property. The notice shall contain a 475
statement that an application has been filed with the division 476
of oil and gas resources management, identify the name of the 477
applicant and the proposed well location, include the name and 478
address of the division, and contain a statement that comments 479
regarding the application may be sent to the division. The 480
notice may be provided by hand delivery or regular mail. The 481
identity of the owners of parcels of real property shall be 482
determined using the tax records of the municipal corporation or 483
county in which a parcel of real property is located as of the 484
date of the notice. 485

(10) A plan for restoration of the land surface disturbed 486
by drilling operations. The plan shall provide for compliance 487
with the restoration requirements of division (A) of section 488
1509.072 of the Revised Code and any rules adopted by the chief 489
pertaining to that restoration. 490

(11) (a) A description by name or number of the county, 491
township, and municipal corporation roads, streets, and highways 492
that the applicant anticipates will be used for access to and 493
egress from the well site; 494

(b) For an application for a permit for a horizontal well, 495
a copy of an agreement concerning maintenance and safe use of 496
the roads, streets, and highways described in division (A) (11) 497
(a) of this section entered into on reasonable terms with the 498
public official that has the legal authority to enter into such 499
maintenance and use agreements for each county, township, and 500
municipal corporation, as applicable, in which any such road, 501
street, or highway is located or an affidavit on a form 502
prescribed by the chief attesting that the owner attempted in 503
good faith to enter into an agreement under division (A) (11) (b) 504
of this section with the applicable public official of each such 505
county, township, or municipal corporation, but that no 506
agreement was executed. 507

(12) Such other relevant information as the chief 508
prescribes by rule. 509

Each application shall be accompanied by a map, on a scale 510
not smaller than four hundred feet to the inch, prepared by an 511
Ohio registered surveyor, showing the location of the well and 512
containing such other data as may be prescribed by the chief. If 513
the well is or is to be located within the excavations and 514
workings of a mine, the map also shall include the location of 515

the mine, the name of the mine, and the name of the person 516
operating the mine. 517

(B) The chief shall cause a copy of the weekly circular 518
prepared by the division to be provided to the county engineer 519
of each county that contains active or proposed drilling 520
activity. The weekly circular shall contain, in the manner 521
prescribed by the chief, the names of all applicants for 522
permits, the location of each well or proposed well, the 523
information required by division (A) (11) of this section, and 524
any additional information the chief prescribes. In addition, 525
the chief promptly shall transfer an electronic copy or 526
facsimile, or if those methods are not available to a municipal 527
corporation or township, a copy via regular mail, of a drilling 528
permit application to the clerk of the legislative authority of 529
the municipal corporation or to the clerk of the township in 530
which the well or proposed well is or is to be located if the 531
legislative authority of the municipal corporation or the board 532
of township trustees has asked to receive copies of such 533
applications and the appropriate clerk has provided the chief an 534
accurate, current electronic mailing address or facsimile 535
number, as applicable. 536

(C) (1) Except as provided in division (C) (2) of this 537
section, the chief shall not issue a permit for at least ten 538
days after the date of filing of the application for the permit 539
unless, upon reasonable cause shown, the chief waives that 540
period or a request for expedited review is filed under this 541
section. However, the chief shall issue a permit within twenty- 542
one days of the filing of the application unless the chief 543
denies the application by order. 544

(2) If the location of a well or proposed well will be or 545

is within an urbanized area, the chief shall not issue a permit 546
for at least eighteen days after the date of filing of the 547
application for the permit unless, upon reasonable cause shown, 548
the chief waives that period or the chief at the chief's 549
discretion grants a request for an expedited review. However, 550
the chief shall issue a permit for a well or proposed well 551
within an urbanized area within thirty days of the filing of the 552
application unless the chief denies the application by order. 553

(D) An applicant may file a request with the chief for 554
expedited review of a permit application if the well is not or 555
is not to be located in a gas storage reservoir or reservoir 556
protective area, as "reservoir protective area" is defined in 557
section 1571.01 of the Revised Code. If the well is or is to be 558
located in a coal bearing township, the application shall be 559
accompanied by the affidavit of the landowner prescribed in 560
section 1509.08 of the Revised Code. 561

In addition to a complete application for a permit that 562
meets the requirements of this section and the permit fee 563
prescribed by this section, a request for expedited review shall 564
be accompanied by a separate nonrefundable filing fee of two 565
hundred fifty dollars. Upon the filing of a request for 566
expedited review, the chief shall cause the county engineer of 567
the county in which the well is or is to be located to be 568
notified of the filing of the permit application and the request 569
for expedited review by telephone or other means that in the 570
judgment of the chief will provide timely notice of the 571
application and request. The chief shall issue a permit within 572
seven days of the filing of the request unless the chief denies 573
the application by order. Notwithstanding the provisions of this 574
section governing expedited review of permit applications, the 575
chief may refuse to accept requests for expedited review if, in 576

the chief's judgment, the acceptance of the requests would 577
prevent the issuance, within twenty-one days of their filing, of 578
permits for which applications are pending. 579

(E) A well shall be drilled and operated in accordance 580
with the plans, sworn statements, and other information 581
submitted in the approved application. 582

(F) The chief shall issue an order denying a permit if the 583
chief finds that there is a substantial risk that the operation 584
will result in violations of this chapter or rules adopted under 585
it that will present an imminent danger to public health or 586
safety or damage to the environment, provided that where the 587
chief finds that terms or conditions to the permit can 588
reasonably be expected to prevent such violations, the chief 589
shall issue the permit subject to those terms or conditions, 590
including, if applicable, terms and conditions regarding 591
subjects identified in rules adopted under section 1509.03 of 592
the Revised Code. The issuance of a permit shall not be 593
considered an order of the chief. 594

The chief shall post notice of each permit that has been 595
approved under this section on the division's web site not later 596
than two business days after the application for a permit has 597
been approved. 598

(G) Each application for a permit required by section 599
1509.05 of the Revised Code, ~~except an application for a well-~~ 600
~~drilled or reopened for purposes of section 1509.22 of the~~ 601
~~Revised Code,~~ also shall be accompanied by a nonrefundable fee 602
as follows: 603

(1) Five hundred dollars for a permit to conduct 604
activities in a township with a population of fewer than ten 605

thousand; 606

(2) Seven hundred fifty dollars for a permit to conduct 607
activities in a township with a population of ten thousand or 608
more, but fewer than fifteen thousand; 609

(3) One thousand dollars for a permit to conduct 610
activities in either of the following: 611

(a) A township with a population of fifteen thousand or 612
more; 613

(b) A municipal corporation regardless of population. 614

(4) If the application is for a permit that requires 615
mandatory pooling, an additional five thousand dollars. 616

For purposes of calculating fee amounts, populations shall 617
be determined using the most recent federal decennial census. 618

Each application for the revision or reissuance of a 619
permit shall be accompanied by a nonrefundable fee of two 620
hundred fifty dollars. 621

(H) (1) Prior to the commencement of well pad construction 622
and prior to the issuance of a permit to drill a proposed 623
horizontal well or a proposed well that is to be located in an 624
urbanized area, the division shall conduct a site review to 625
identify and evaluate any site-specific terms and conditions 626
that may be attached to the permit. At the site review, a 627
representative of the division shall consider fencing, 628
screening, and landscaping requirements, if any, for similar 629
structures in the community in which the well is proposed to be 630
located. The terms and conditions that are attached to the 631
permit shall include the establishment of fencing, screening, 632
and landscaping requirements for the surface facilities of the 633

proposed well, including a tank battery of the well. 634

(2) Prior to the issuance of a permit to drill a proposed 635
well, the division shall conduct a review to identify and 636
evaluate any site-specific terms and conditions that may be 637
attached to the permit if the proposed well will be located in a 638
one-hundred-year floodplain or within the five-year time of 639
travel associated with a public drinking water supply. 640

(I) A permit shall be issued by the chief in accordance 641
with this chapter. A permit issued under this section for a well 642
that is or is to be located in an urbanized area shall be valid 643
for twelve months, and all other permits issued under this 644
section shall be valid for twenty-four months. 645

(J) An applicant or a permittee, as applicable, shall 646
submit to the chief an update of the information that is 647
required under division (A) (8) (a) of this section if any of that 648
information changes prior to commencement of production 649
operations. 650

(K) A permittee or a permittee's authorized representative 651
shall notify an inspector from the division at least twenty-four 652
hours, or another time period agreed to by the chief's 653
authorized representative, prior to the commencement of well pad 654
construction and of drilling, reopening, ~~converting,~~ well 655
stimulation, or plugback operations. 656

Sec. 1509.08. Upon receipt of an application for a permit 657
required by section 1509.05 of the Revised Code, or upon receipt 658
of an application for a permit to plug and abandon under section 659
1509.13 of the Revised Code, the chief of the division of oil 660
and gas resources management shall determine whether the well is 661
or is to be located in a coal bearing township. 662

Whether or not the well is or is to be located in a coal bearing township, the chief, by order, may refuse to issue a permit required by section 1509.05 of the Revised Code to any applicant who at the time of applying for the permit is in material or substantial violation of this chapter or rules adopted or orders issued under it. The chief shall refuse to issue a permit to any applicant who at the time of applying for the permit has been found liable by a final nonappealable order of a court of competent jurisdiction for damage to streets, roads, highways, bridges, culverts, or drainways pursuant to section 4513.34 or 5577.12 of the Revised Code until the applicant provides the chief with evidence of compliance with the order. No applicant shall attempt to circumvent this provision by applying for a permit under a different name or business organization name, by transferring responsibility to another person or entity, by abandoning the well or lease, or by any other similar act.

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

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

The chief of the division of mineral resources management 694
immediately shall notify the owner or lessee of any affected 695
mine that the application has been filed and send to the owner 696
or lessee two copies of the map accompanying the application 697
setting forth the location of the well. 698

If the owner or lessee objects to the location of the well 699
or objects to any location within fifty feet of the original 700
location as a possible site for relocation of the well, the 701
owner or lessee shall notify the chief of the division of 702
mineral resources management of the objection, giving the 703
reasons for the objection and, if applicable, indicating on a 704
copy of the map the particular location or locations within 705
fifty feet of the original location to which the owner or lessee 706
objects as a site for possible relocation of the well, within 707
six days after the receipt of the notice. If the chief receives 708
no objections from the owner or lessee of the mine within ten 709
days after the receipt of the notice by the owner or lessee, or 710
if in the opinion of the chief the objections offered by the 711
owner or lessee are not sufficiently well founded, the chief 712
immediately shall notify the owner or lessee of those findings. 713
The owner or lessee may appeal the decision of the chief to the 714
reclamation commission under section 1513.13 of the Revised 715
Code. The appeal shall be filed within fifteen days, 716
notwithstanding provisions in ~~divisions~~ division (A) (1) of 717
section 1513.13 of the Revised Code to the contrary, from the 718
date on which the owner or lessee receives the notice. If the 719
appeal is not filed within that time, the chief immediately 720
shall approve the application, retain a copy of the application 721
and map, and return a copy of the application to the chief of 722
the division of oil and gas resources management with the 723
approval noted on it. The chief of the division of oil and gas 724

resources management then shall issue the permit if the 725
provisions of this chapter pertaining to the issuance of such a 726
permit have been complied with. 727

If the chief of the division of mineral resources 728
management receives an objection from the owner or lessee of the 729
mine as to the location of the well within ten days after 730
receipt of the notice by the owner or lessee, and if in the 731
opinion of the chief the objection is well founded, the chief 732
shall disapprove the application and immediately return it to 733
the chief of the division of oil and gas resources management 734
together with the reasons for disapproval and a suggestion for a 735
new location for the well, provided that the suggested new 736
location shall not be a location within fifty feet of the 737
original location to which the owner or lessee has objected as a 738
site for possible relocation of the well if the chief of the 739
division of mineral resources management has determined that the 740
objection is well founded. The chief of the division of oil and 741
gas resources management immediately shall notify the applicant 742
for the permit of the disapproval and any suggestion made by the 743
chief of the division of mineral resources management as to a 744
new location for the well. The applicant may withdraw the 745
application or amend the application to drill the well at the 746
location suggested by the chief, or the applicant may appeal the 747
disapproval of the application by the chief to the reclamation 748
commission. 749

If the chief of the division of mineral resources 750
management receives no objection from the owner or lessee of a 751
mine as to the location of the well, but does receive an 752
objection from the owner or lessee as to one or more locations 753
within fifty feet of the original location as possible sites for 754
relocation of the well within ten days after receipt of the 755

notice by the owner or lessee, and if in the opinion of the 756
chief the objection is well founded, the chief nevertheless 757
shall approve the application and shall return it immediately to 758
the chief of the division of oil and gas resources management 759
together with the reasons for disapproving any of the locations 760
to which the owner or lessee objects as possible sites for the 761
relocation of the well. The chief of the division of oil and gas 762
resources management then shall issue a permit if the provisions 763
of this chapter pertaining to the issuance of such a permit have 764
been complied with, incorporating as a term or condition of the 765
permit that the applicant is prohibited from commencing drilling 766
at any location within fifty feet of the original location that 767
has been disapproved by the chief of the division of mineral 768
resources management. The applicant may appeal to the 769
reclamation commission the terms and conditions of the permit 770
prohibiting the commencement of drilling at any such location 771
disapproved by the chief of the division of mineral resources 772
management. 773

Any such appeal shall be filed within fifteen days, 774
notwithstanding provisions in division (A)(1) of section 1513.13 775
of the Revised Code to the contrary, from the date the applicant 776
receives notice of the disapproval of the application, any other 777
location within fifty feet of the original location, or terms or 778
conditions of the permit, or the owner or lessee receives notice 779
of the chief's decision. No approval or disapproval of an 780
application shall be delayed by the chief of the division of 781
mineral resources management for more than fifteen days from the 782
date of sending the notice of the application to the mine owner 783
or lessee as required by this section. 784

All appeals provided for in this section shall be treated 785
as expedited appeals. The reclamation commission shall hear any 786

such appeal in accordance with section 1513.13 of the Revised Code and issue a decision within thirty days of the filing of the notice of appeal.

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

The chief of the division of mineral resources management may suspend the drilling or reopening of a well in a coal bearing township after determining that the drilling or reopening activities present an imminent and substantial threat to public health or safety or to miners' health or safety and having been unable to contact the chief of the division of oil and gas resources management to request an order of suspension under section 1509.06 of the Revised Code. Before issuing a suspension order for that purpose, the chief of the division of mineral resources management shall notify the owner in a manner that in the chief's judgment would provide reasonable notification that the chief intends to issue a suspension order. The chief may issue such an order without prior notification if reasonable attempts to notify the owner have failed, but in that event notification shall be given as soon thereafter as practical. Within five calendar days after the issuance of the order, the chief shall provide the owner an opportunity to be

heard and to present evidence that the activities do not present 818
an imminent and substantial threat to public health or safety or 819
to miners' health or safety. If, after considering the evidence 820
presented by the owner, the chief determines that the activities 821
do not present such a threat, the chief shall revoke the 822
suspension order. An owner may appeal a suspension order issued 823
by the chief of the division of mineral resources management 824
under this section to the reclamation commission in accordance 825
with section 1513.13 of the Revised Code or may appeal the order 826
directly to the court of common pleas of the county in which the 827
well is located. 828

Sec. 1509.21. ~~No~~ (A) Except as provided in division (B) of 829
this section, no person shall, without first having obtained a 830
permit from the chief of the division of oil and gas resources 831
management, conduct secondary or additional recovery operations, 832
including any underground injection of fluids or carbon dioxide 833
for the secondary or tertiary recovery of oil or natural gas or 834
for the storage of hydrocarbons that are liquid at standard 835
temperature or pressure, unless a rule of the chief expressly 836
authorizes such operations without a permit. The permit shall be 837
in addition to any permit required by section 1509.05 of the 838
Revised Code. Secondary or additional recovery operations shall 839
be conducted in accordance with rules and orders of the chief 840
and any terms or conditions of the permit authorizing such 841
operations. In addition, the chief may authorize tests to 842
evaluate whether fluids or carbon dioxide may be injected in a 843
reservoir and to determine the maximum allowable injection 844
pressure. The tests shall be conducted in accordance with 845
methods prescribed in rules of the chief or conditions of the 846
permit. Rules adopted under this section shall include 847
provisions regarding applications for and the issuance of 848

permits; the terms and conditions of permits; entry to conduct 849
inspections and to examine records to ascertain compliance with 850
this section and rules, orders, and terms and conditions of 851
permits adopted or issued thereunder; the provision and 852
maintenance of information through monitoring, recordkeeping, 853
and reporting; and other provisions in furtherance of the goals 854
of this section and the Safe Drinking Water Act. To implement 855
the goals of the Safe Drinking Water Act, the chief shall not 856
issue a permit for the underground injection of fluids for the 857
secondary or tertiary recovery of oil or natural gas or for the 858
storage of hydrocarbons that are liquid at standard temperature 859
and pressure, unless the chief concludes that the applicant has 860
demonstrated that the injection will not result in the presence 861
of any contaminant in underground water that supplies or can be 862
reasonably expected to supply any public water system, such that 863
the presence of any such contaminant may result in the system's 864
not complying with any national primary drinking water 865
regulation or may otherwise adversely affect the health of 866
persons. Rules, orders, and terms or conditions of permits 867
adopted or issued under this section shall be construed to be no 868
more stringent than required for compliance with the Safe 869
Drinking Water Act, unless essential to ensure that underground 870
sources of drinking water will not be endangered. 871

(B) No person shall dispose of brine in association with a 872
method of enhanced recovery conducted pursuant to division (A) 873
of this section. 874

Sec. 1509.22. (A) ~~Except when acting in accordance with~~ 875
~~section 1509.226 of the Revised Code, no~~ (1) No person shall 876
place or cause to be placed brine in or on the land or in 877
surface or ground water. 878

(2) No person shall place or cause to be placed in ground 879
water or in or on the land or discharge or cause to be 880
discharged in surface water ~~brine,~~ crude oil, natural gas, or 881
other fluids associated with the exploration, development, well 882
stimulation, production operations, or plugging of oil and gas 883
resources that ~~causes~~ cause or could reasonably be anticipated 884
to cause damage or injury to public health or safety or the 885
environment. 886

(3) Divisions (A) (1) and (2) of this section apply 887
regardless of whether brine, crude oil, natural gas, or other 888
fluids associated with the exploration or development of oil and 889
gas resources have been treated in a public water system or 890
other treatment system or process. 891

(B) (1) No person shall store or dispose of brine in 892
violation of a plan approved under division (A) of section 893
1509.222 ~~or section 1509.226~~ of the Revised Code, ~~in violation~~ 894
~~of a resolution submitted under section 1509.226 of the Revised~~ 895
~~Code,~~ or in violation of rules or orders applicable to those 896
plans ~~or resolutions.~~ 897

(2) (a) On and after January 1, 2014, no person shall 898
store, recycle, treat, process, or dispose of in this state 899
brine or other waste substances associated with the exploration, 900
development, well stimulation, production operations, or 901
plugging of oil and gas resources without an order or a permit 902
issued under this section or section 1509.06 or 1509.21 of the 903
Revised Code or rules adopted under any of those sections. For 904
purposes of division (B) (2) (a) of this section, a permit or 905
other form of authorization issued by another agency of the 906
state or a political subdivision of the state shall not be 907
considered a permit or order issued by the chief of the division 908

of oil and gas resources management under this chapter. 909

(b) Division (B) (2) (a) of this section does not apply to a 910
person that disposes of such waste substances other than brine 911
in accordance with Chapter 3734. of the Revised Code and rules 912
adopted under it. 913

(C) The chief shall adopt rules regarding storage, 914
recycling, treatment, processing, and disposal of brine and 915
other waste substances. The rules shall establish procedures and 916
requirements in accordance with which a person shall apply for a 917
permit or order for the storage, recycling, treatment, 918
processing, or disposal of brine and other waste substances that 919
are not subject to a permit issued under section 1509.06 or 920
1509.21 of the Revised Code and in accordance with which the 921
chief may issue such a permit or order. An application for such 922
a permit shall be accompanied by a nonrefundable fee of two 923
thousand five hundred dollars. 924

The storage, recycling, treatment, processing, and 925
disposal of brine and other waste substances and the chief's 926
rules relating to storage, recycling, treatment, processing, and 927
disposal are subject to all of the following standards: 928

(1) Brine from any well ~~except an exempt Mississippian-~~ 929
~~well shall be disposed of only as follows:~~ 930

~~(a) By injection into an underground formation, including~~ 931
~~annular disposal if approved by rule of the chief, which~~ 932
~~injection shall be subject to division (D) of this section;~~ 933

~~(b) By surface application in accordance with section~~ 934
~~1509.226 of the Revised Code;~~ 935

~~(c) In association with a method of enhanced recovery as~~ 936
~~provided in section 1509.21 of the Revised Code;~~ 937

~~(d) In any other manner not specified in divisions (C) (1)~~ 938
~~(a) to (c) of this section that is by a method approved by a~~ 939
~~permit or order issued by the chief for testing and implementing~~ 940
~~a new technology or method of disposal. No person shall fail to~~ 941
~~comply with this division.~~ 942

~~(2) Brine from exempt Mississippian wells shall not be~~ 943
~~discharged directly into the waters of the state.~~ 944

~~(3) Muds, cuttings, and other waste substances shall not~~ 945
be disposed of in violation of this chapter or any rule adopted 946
under it. 947

~~(4) (3)~~ Pits or steel tanks shall be used as authorized by 948
the chief for containing brine and other waste substances 949
resulting from, obtained from, or produced in connection with 950
drilling, well stimulation, reworking, reconditioning, plugging 951
back, or plugging operations. The pits and steel tanks shall be 952
constructed and maintained to prevent the escape of brine and 953
other waste substances. 954

~~(5) (4)~~ A dike or pit may be used for spill prevention and 955
control. A dike or pit so used shall be constructed and 956
maintained to prevent the escape of brine and crude oil, and the 957
reservoir within such a dike or pit shall be kept reasonably 958
free of brine, crude oil, and other waste substances. 959

~~(6) (5)~~ Impoundments constructed utilizing a synthetic 960
liner pursuant to the division's specifications may be used for 961
the temporary storage of waste substances used in the 962
construction, stimulation, or plugging of a well. 963

~~(7) (6)~~ No pit or dike shall be used for the temporary 964
storage of brine or other waste substances except in accordance 965
with divisions (C) ~~(4) (3)~~ and ~~(5) (4)~~ of this section. 966

~~(8)-(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.~~ 997

~~(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 other waste substances;~~ 998
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1002

~~(e) Any other provisions in furtherance of the goals of this section and the Safe Drinking Water Act.~~ 1003
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(2) The chief may adopt rules in accordance with Chapter 119. of the Revised Code authorizing tests to evaluate whether fluids other than brine 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 ~~the~~ a permit issued by the chief for that purpose. In addition, the chief may adopt rules that do both of the following: 1005
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(a) Establish the total depth of a well for which a permit has been applied for or issued under this division; 1013
1014

(b) Establish requirements and procedures to protect public health and safety. 1015
1016

~~(3) To implement the goals of the Safe Drinking Water Act~~ 1017
Except as provided in division (D) (2) of this section, 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 ~~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~~ 1018
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~~presence of the contaminant may result in the system's not~~ 1026
~~complying with any national primary drinking water regulation or~~ 1027
~~may otherwise adversely affect the health of persons.~~ 1028

(4) The chief may issue an order to the owner of a well in 1029
existence on September 10, 2012, to make changes in the 1030
operation of the well in order to correct problems or to address 1031
safety concerns. 1032

~~(5) This division and rules, orders, and terms and~~ 1033
~~conditions of permits adopted or issued under it shall be~~ 1034
~~construed to be no more stringent than required for compliance~~ 1035
~~with the Safe Drinking Water Act unless essential to ensure that~~ 1036
~~underground sources of drinking water will not be endangered.~~ 1037

(E) The owner holding a permit, or an assignee or 1038
transferee who has assumed the obligations and liabilities 1039
imposed by this chapter and any rules adopted or orders issued 1040
under it pursuant to section 1509.31 of the Revised Code, and 1041
the operator of a well shall be liable for a violation of this 1042
section or any rules adopted or orders or terms or conditions of 1043
a permit issued under it. 1044

(F) An owner shall replace the water supply of the holder 1045
of an interest in real property who obtains all or part of the 1046
holder's supply of water for domestic, agricultural, industrial, 1047
or other legitimate use from an underground or surface source 1048
where the supply has been substantially disrupted by 1049
contamination, diminution, or interruption proximately resulting 1050
from the owner's oil or gas operation, or the owner may elect to 1051
compensate the holder of the interest in real property for the 1052
difference between the fair market value of the interest before 1053
the damage occurred to the water supply and the fair market 1054
value after the damage occurred if the cost of replacing the 1055

water supply exceeds this difference in fair market values. 1056
However, during the pendency of any order issued under this 1057
division, the owner shall obtain for the holder or shall 1058
reimburse the holder for the reasonable cost of obtaining a 1059
water supply from the time of the contamination, diminution, or 1060
interruption by the operation until the owner has complied with 1061
an order of the chief for compliance with this division or such 1062
an order has been revoked or otherwise becomes not effective. If 1063
the owner elects to pay the difference in fair market values, 1064
but the owner and the holder have not agreed on the difference 1065
within thirty days after the chief issues an order for 1066
compliance with this division, within ten days after the 1067
expiration of that thirty-day period, the owner and the chief 1068
each shall appoint an appraiser to determine the difference in 1069
fair market values, except that the holder of the interest in 1070
real property may elect to appoint and compensate the holder's 1071
own appraiser, in which case the chief shall not appoint an 1072
appraiser. The two appraisers appointed shall appoint a third 1073
appraiser, and within thirty days after the appointment of the 1074
third appraiser, the three appraisers shall hold a hearing to 1075
determine the difference in fair market values. Within ten days 1076
after the hearing, the appraisers shall make their determination 1077
by majority vote and issue their final determination of the 1078
difference in fair market values. The chief shall accept a 1079
determination of the difference in fair market values made by 1080
agreement of the owner and holder or by appraisers under this 1081
division and shall make and dissolve orders accordingly. This 1082
division does not affect in any way the right of any person to 1083
enforce or protect, under applicable law, the person's interest 1084
in water resources affected by an oil or gas operation. 1085

(G) In any action brought by the state for a violation of 1086

division (A) of this section involving any well at which annular disposal is used, there shall be a rebuttable presumption available to the state that the annular disposal caused the violation if the well is located within a one-quarter-mile radius of the site of the violation.

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

~~(a) Five cents per barrel of each substance that is delivered to a well to be injected in the well when the substance is produced within the division of oil and gas resources management regulatory district in which the well is located or within an adjoining oil and gas resources management regulatory district;~~

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

~~(2) The maximum number of barrels of substance per injection well in a calendar year on which a fee may be levied under division (H) of this section is five hundred thousand. If in a calendar year the owner of an injection well receives more than five hundred thousand barrels of substance to be injected in the owner's well and if the owner receives at least one substance that is produced within the division's regulatory district in which the well is located or within an adjoining regulatory district and at least one substance that is not produced within the division's regulatory district in which the~~

~~well is located or within an adjoining regulatory district, the~~ 1117
~~fee shall be calculated first on all of the barrels of substance~~ 1118
~~that are not produced within the division's regulatory district~~ 1119
~~in which the well is located or within an adjoining district at~~ 1120
~~the rate established in division (H) (2) of this section. The fee~~ 1121
~~then shall be calculated on the barrels of substance that are~~ 1122
~~produced within the division's regulatory district in which the~~ 1123
~~well is located or within an adjoining district at the rate~~ 1124
~~established in division (H) (1) of this section until the maximum~~ 1125
~~number of barrels established in division (H) (2) of this section~~ 1126
~~has been attained.~~ 1127

~~(3) The owner of an injection well who is issued a permit~~ 1128
~~under division (D) of this section shall collect the fee levied~~ 1129
~~by division (H) of this section on behalf of the division of oil~~ 1130
~~and gas resources management and forward the fee to the~~ 1131
~~division. The chief shall transmit all money received under~~ 1132
~~division (H) of this section to the treasurer of state who shall~~ 1133
~~deposit the money in the state treasury to the credit of the oil~~ 1134
~~and gas well fund created in section 1509.02 of the Revised~~ 1135
~~Code. The owner of an injection well who collects the fee levied~~ 1136
~~by this division may retain up to three per cent of the amount~~ 1137
~~that is collected.~~ 1138

~~(4) The chief shall adopt rules in accordance with Chapter~~ 1139
~~119. of the Revised Code establishing requirements and~~ 1140
~~procedures for collection of the fee levied by division (H) of~~ 1141
~~this section.~~ 1142

Sec. 1509.222. ~~(A) (1) Except as provided in section~~ 1143
~~1509.226 of the Revised Code, no~~ No person shall transport brine 1144
by vehicle in this state unless the business entity that employs 1145
the person first registers with and obtains a registration 1146

certificate and identification number from the chief of the 1147
division of oil and gas resources management. 1148

(2) No more than one registration certificate shall be 1149
required of any business entity. Registration certificates 1150
issued under this section are not transferable. An applicant 1151
shall file an application with the chief, containing such 1152
information in such form as the chief prescribes. The 1153
application shall include at least all of the following: 1154

(a) A list that identifies each vehicle, vessel, railcar, 1155
and container that will be used in the transportation of brine; 1156

(b) A plan for disposal that provides for compliance with 1157
the requirements of this chapter and rules of the chief 1158
pertaining to the transportation of brine by vehicle and the 1159
disposal of brine so transported and that lists all disposal 1160
sites that the applicant intends to use; 1161

(c) The bond required by section 1509.225 of the Revised 1162
Code; 1163

(d) A certificate issued by an insurance company 1164
authorized to do business in this state certifying that the 1165
applicant has in force a liability insurance policy in an amount 1166
not less than three hundred thousand dollars bodily injury 1167
coverage and three hundred thousand dollars property damage 1168
coverage to pay damages for injury to persons or property caused 1169
by the collecting, handling, transportation, or disposal of 1170
brine. 1171

The insurance policy required by division (A) (2) (d) of 1172
this section shall be maintained in effect during the term of 1173
the registration certificate. The policy or policies providing 1174
the coverage shall require the insurance company to give notice 1175

to the chief if the policy or policies lapse for any reason. 1176
Upon such termination of the policy, the chief may suspend the 1177
registration certificate until proper insurance coverage is 1178
obtained. 1179

(3) Each application for a registration certificate shall 1180
be accompanied by a nonrefundable fee of five hundred dollars. 1181

(4) If a business entity that has been issued a 1182
registration certificate under this section changes its name due 1183
to a business reorganization or merger, the business entity 1184
shall revise the bond or certificates of deposit required by 1185
section 1509.225 of the Revised Code and obtain a new 1186
certificate from an insurance company in accordance with 1187
division (A)(2)(e) of this section to reflect the change in the 1188
name of the business entity. 1189

(B) The chief shall issue an order denying an application 1190
for a registration certificate if the chief finds that either of 1191
the following applies: 1192

(1) The applicant, at the time of applying for the 1193
registration certificate, has been found liable by a final 1194
nonappealable order of a court of competent jurisdiction for 1195
damage to streets, roads, highways, bridges, culverts, or 1196
drainways pursuant to section 4513.34 or 5577.12 of the Revised 1197
Code until the applicant provides the chief with evidence of 1198
compliance with the order. 1199

(2) The applicant's plan for disposal does not provide for 1200
compliance with the requirements of this chapter and rules of 1201
the chief pertaining to the transportation of brine by vehicle 1202
and the disposal of brine so transported. 1203

(C) No applicant shall attempt to circumvent division (B) 1204

of this section by applying for a registration certificate under 1205
a different name or business organization name, by transferring 1206
responsibility to another person or entity, or by any similar 1207
act. 1208

(D) A registered transporter shall apply to revise a 1209
disposal plan under procedures that the chief shall prescribe by 1210
rule. However, at a minimum, an application for a revision shall 1211
list all sources and disposal sites of brine currently 1212
transported. The chief shall deny any application for a revision 1213
of a plan under this division if the chief finds that the 1214
proposed revised plan does not provide for compliance with the 1215
requirements of this chapter and rules of the chief pertaining 1216
to the transportation of brine by vehicle and the disposal of 1217
brine so transported. Approvals and denials of revisions shall 1218
be by order of the chief. 1219

(E) The chief may adopt rules, issue orders, and attach 1220
terms and conditions to registration certificates as may be 1221
necessary to administer, implement, and enforce sections 1222
1509.222 to ~~1509.226~~ 1509.225 of the Revised Code for protection 1223
of public health or safety or conservation of natural resources. 1224

Sec. 1509.223. (A) No permit holder or owner of a well 1225
shall enter into an agreement with or permit any person to 1226
transport brine produced from the well who is not registered 1227
pursuant to section 1509.222 of the Revised Code ~~or exempt from~~ 1228
~~registration under section 1509.226 of the Revised Code.~~ 1229

(B) Each registered transporter shall file with the chief 1230
of the division of oil and gas resources management, on or 1231
before the fifteenth day of April, a statement concerning brine 1232
transported, including quantities transported and source and 1233
delivery points, during the last preceding calendar year, and 1234

such other information in such form as the chief may prescribe. 1235

(C) Each registered transporter shall keep on each vehicle 1236
used to transport brine a daily log and have it available upon 1237
the request of the chief or an authorized representative of the 1238
chief or a peace officer. The log shall, at a minimum, include 1239
all of the following information: 1240

(1) The name of the owner or owners of the well or wells 1241
producing the brine to be transported; 1242

(2) The date and time the brine is loaded; 1243

(3) The name of the driver; 1244

(4) The amount of brine loaded at each collection point; 1245

(5) The disposal location; 1246

(6) The date and time the brine is disposed of and the 1247
amount of brine disposed of at each location. 1248

The chief, by rule, may establish procedures for the 1249
electronic submission to the chief of the information that is 1250
required to be included in the daily log. No registered 1251
transporter shall falsify or fail to keep or submit the log 1252
required by this division. 1253

(D) Each registered transporter shall legibly identify 1254
with reflective paints all vehicles employed in transporting or 1255
disposing of brine. Letters shall be no less than four inches in 1256
height and shall indicate the identification number issued by 1257
the chief, the word "brine," and the name and telephone number 1258
of the transporter. 1259

(E) The chief shall maintain and keep a current list of 1260
persons registered to transport brine under section 1509.222 of 1261

the Revised Code. The list shall be open to public inspection. 1262
It is an affirmative defense to a charge under division (A) of 1263
this section that at the time the permit holder or owner of a 1264
well entered into an agreement with or permitted a person to 1265
transport brine, the person was shown on the list as currently 1266
registered to transport brine. 1267

Sec. 1509.224. (A) In addition to any other remedies 1268
provided in this chapter, if the chief of the division of oil 1269
and gas resources management has reason to believe that a 1270
pattern of the same or similar violations of any requirements of 1271
section 1509.22, 1509.222, or 1509.223 of the Revised Code, or 1272
any rule adopted thereunder or term or condition of the 1273
registration certificate issued thereunder exists or has 1274
existed, and the violations are caused by the transporter's 1275
indifference, lack of diligence, or lack of reasonable care, or 1276
are willfully caused by the transporter, the chief shall 1277
immediately issue an order to the transporter to show cause why 1278
the certificate should not be suspended or revoked. After the 1279
issuance of the order, the chief shall provide the transporter 1280
an opportunity to be heard and to present evidence at an 1281
informal hearing conducted by the chief. If, at the conclusion 1282
of the hearing, the chief finds that such a pattern of 1283
violations exists or has existed, the chief shall issue an order 1284
suspending or revoking the transporter's registration 1285
certificate. An order suspending or revoking a certificate under 1286
this section may be appealed under sections 1509.36 and 1509.37 1287
of the Revised Code, or notwithstanding any other provision of 1288
this chapter, may be appealed directly to the court of common 1289
pleas of Franklin county. 1290

(B) Before issuing an order denying a registration 1291
certificate; approving or denying approval of an application for 1292

revision of a registered transporter's plan for disposal; or to 1293
implement, administer, or enforce section 1509.22, 1509.222, 1294
1509.223, or 1509.225, ~~or 1509.226~~ of the Revised Code and rules 1295
and terms and conditions of registration certificates adopted or 1296
issued thereunder pertaining to the transportation of brine by 1297
vehicle and the disposal of brine so transported, the chief 1298
shall issue a preliminary order indicating the chief's intent to 1299
issue a final order. The preliminary order shall clearly state 1300
the nature of the chief's proposed action and the findings on 1301
which it is based and shall state that the preliminary order 1302
becomes a final order thirty days after its issuance unless the 1303
person to whom the preliminary order is directed submits to the 1304
chief a written request for an informal hearing before the chief 1305
within that thirty-day period. At the hearing the person may 1306
present evidence as to why the preliminary order should be 1307
revoked or modified. Based upon the findings from the informal 1308
hearing, the chief shall revoke, issue, or modify and issue the 1309
preliminary order as a final order. A final order may be 1310
appealed under sections 1509.36 and 1509.37 of the Revised Code. 1311

Sec. 1509.99. (A) Whoever violates sections 1509.01 to 1312
1509.31 of the Revised Code or any rules adopted or orders or 1313
terms or conditions of a permit issued pursuant to these 1314
sections for which no specific penalty is provided in this 1315
section shall be fined not less than one hundred nor more than 1316
one thousand dollars for a first offense; for each subsequent 1317
offense the person shall be fined not less than two hundred nor 1318
more than two thousand dollars. 1319

(B) Whoever violates section 1509.221 of the Revised Code 1320
or any rules adopted or orders or terms or conditions of a 1321
permit issued thereunder shall be fined not more than five 1322
thousand dollars for each violation. 1323

(C) Whoever knowingly violates section 1509.072, division 1324
(A), (B), or (D) of section 1509.22, division (A)(1) or (C) of 1325
section 1509.222, or division (A) or (D) of section 1509.223 of 1326
the Revised Code or any rules adopted or orders issued under 1327
division (C) of section 1509.22 or rules adopted or orders or 1328
terms or conditions of a registration certificate issued under 1329
division (E) of section 1509.222 of the Revised Code shall be 1330
fined ten thousand dollars or imprisoned for six months, or both 1331
for a first offense; for each subsequent offense the person 1332
shall be fined twenty thousand dollars or imprisoned for two 1333
years, or both. Whoever negligently violates those divisions, 1334
sections, rules, orders, or terms or conditions of a 1335
registration certificate shall be fined not more than five 1336
thousand dollars. 1337

(D) Whoever violates division (C) of section 1509.223 of 1338
the Revised Code shall be fined not more than five hundred 1339
dollars for a first offense and not more than one thousand 1340
dollars for a subsequent offense. 1341

(E) Whoever negligently violates section 1509.051, 1342
division (B) of section 1509.21, or division (C)(1) of section 1343
1509.22 of the Revised Code shall be fined not less than one 1344
hundred nor more than one thousand dollars for a first offense; 1345
for each subsequent offense the person shall be fined not less 1346
than two hundred nor more than two thousand dollars. 1347

(F) The prosecuting attorney of the county in which the 1348
offense was committed or the attorney general may prosecute an 1349
action under this section. 1350

~~(F)~~ (G) For purposes of this section, each day of 1351
violation constitutes a separate offense. 1352

Section 2. That existing sections 1509.01, 1509.02,	1353
1509.03, 1509.05, 1509.06, 1509.08, 1509.21, 1509.22, 1509.222,	1354
1509.223, 1509.224, and 1509.99 and section 1509.226 of the	1355
Revised Code are hereby repealed.	1356