



April 20, 2023

The Honorable Jay Edwards  
Chairman  
House Finance Committee  
77 S. High St., 13th Floor  
Columbus, OH 43215

**RE: Substitute House Bill 33 Interested Party Testimony**

Dear Chairman Edwards:

Thank you for the opportunity to share the Ohio Oil and Gas Association's (OOGA) thoughts on Substitute House Bill 33 (HB 33), the state operating budget. OOGA is a 75-year-old statewide trade association representing oil and gas production operators and all other aspects of the oil and gas industry both midstream and downstream.

HB 33 impacts Ohio's oil and gas industry in a variety of ways and we wanted to highlight our organization's thoughts on the changes made to the bill on Tuesday.

**Oil and Gas Well Fund Transfers**

Our members appreciate the changes made to the bill that removed all cash transfer requests from the Oil and Gas Well Fund. It is imperative that the fund is preserved for the purpose of plugging the state's 40,000+ orphan wells. Ohio continues to increase the number of wells plugged each year. We are hopeful to double what was plugged in the past biennium. Maintaining a strong well fund will be critical to achieving that goal.

**Permitting of Stratigraphic Wells**

HB 33 establishes ODNR's regulatory authority over stratigraphic wells. Stratigraphic wells are boreholes that are drilled on a tract to research subsurface geology. OOGA is generally supportive of this regulatory oversight. However, we want to ensure that opportunities exist for long-term success of stratigraphic wells and are working with the ODNR on clarification language to ensure any regulatory scheme is workable for the companies doing the research.

**Enforcement of Oil and Gas Law**

HB 33 includes language changing liability from an "owner" to a "person." OOGA is supportive of the intent of the change, however the current language can be interpreted



broader than intended and we are again working with ODNR on a solution that would prevent any unintended consequences.

**Brine Injection Well Fee**

The sub bill includes a provision that changes long established law for underground injection wells. The changes eliminate the brine disposal fee cap and reallocates fees over 500,000 barrels. While our membership continues to review this change and its consequences, we would caution against any changes to how the fee is created and distributed. As the impacts of this change come into better focus our organization will be sure to work with you and the rest of the legislature in a collaborative manner.

Again, OOGA appreciates the opportunity to provide feedback on Sub. HB 33 and looks forward to working with committee members and the rest of the House on this bill. You can contact me with any questions at [stephanie@ooga.org](mailto:stephanie@ooga.org).

Sincerely,

A handwritten signature in black ink that reads "Stephanie Kromer".

Stephanie Kromer  
Director of Legislative & Regulatory Affairs