

As Introduced

**133rd General Assembly
Regular Session
2019-2020**

H. B. No. 95

Representative Skindell

Cosponsors: Representatives Smith, K., Upchurch

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 alter the Oil 5
and Gas Law with respect to brine and the 6
conversion of wells. 7

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

Section 1. That sections 1509.01, 1509.02, 1509.03, 8
1509.05, 1509.06, 1509.08, 1509.21, 1509.22, 1509.222, 1509.223, 9
1509.224, and 1509.99 be amended and section 1509.051 of the 10
Revised Code be enacted to read as follows: 11

Sec. 1509.01. As used in this chapter: 12

(A) "Well" means any borehole, whether drilled or bored, 13
within the state for production, extraction, or injection of any 14
gas or liquid mineral, excluding potable water to be used as 15
such, but including natural or artificial brines and oil field 16
waters. 17

(B) "Oil" means crude petroleum oil and all other 18

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.

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

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

(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.

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

(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.

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

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

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

(3) Inefficient storing of oil or gas;

(4) Locating, drilling, equipping, operating, or producing an oil or gas well in a manner that reduces or tends to reduce

the quantity of oil or gas ultimately recoverable under prudent 46
and proper operations from the pool into which it is drilled or 47
that causes or tends to cause unnecessary or excessive surface 48
loss or destruction of oil or gas; 49

(5) Other underground or surface waste in the production 50
or storage of oil, gas, or condensate, however caused. 51

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

(J) "Tract" means a single, individual parcel of land or a 57
portion of a single, individual parcel of land. 58

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

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

(M) "Discovery well" means the first well capable of 74

producing oil or gas in commercial quantities from a pool.	75
(N) "Prepared clay" means a clay that is plastic and is	76
thoroughly saturated with fresh water to a weight and	77
consistency great enough to settle through saltwater in the well	78
in which it is to be used, except as otherwise approved by the	79
chief of the division of oil and gas resources management.	80
(O) "Rock sediment" means the combined cutting and residue	81
from drilling sedimentary rocks and formation.	82
(P) "Excavations and workings," "mine," and "pillar" have	83
the same meanings as in section 1561.01 of the Revised Code.	84
(Q) "Coal bearing township" means a township designated as	85
such by the chief of the division of mineral resources	86
management under section 1561.06 of the Revised Code.	87
(R) "Gas storage reservoir" means a continuous area of a	88
subterranean porous sand or rock stratum or strata into which	89
gas is or may be injected for the purpose of storing it therein	90
and removing it therefrom and includes a gas storage reservoir	91
as defined in section 1571.01 of the Revised Code.	92
(S) "Safe Drinking Water Act" means the "Safe Drinking	93
Water Act," 88 Stat. 1661 (1974), 42 U.S.C.A. 300(f), as amended	94
by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393,	95
42 U.S.C.A. 300(f), the "Safe Drinking Water Act Amendments of	96
1986," 100 Stat. 642, 42 U.S.C.A. 300(f), and the "Safe Drinking	97
Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C.A.	98
300(f), and regulations adopted under those acts.	99
(T) "Person" includes any political subdivision,	100
department, agency, or instrumentality of this state; the United	101
States and any department, agency, or instrumentality thereof;	102
any legal entity defined as a person under section 1.59 of the	103

Revised Code; and any other form of business organization or 104
entity recognized by the laws of this state. 105

(U) "Brine" means all saline geological formation water 106
resulting from, obtained from, or produced in connection with 107
exploration, drilling, well stimulation, production of oil or 108
gas, or plugging of a well. 109

(V) "Waters of the state" means all streams, lakes, ponds, 110
marshes, watercourses, waterways, springs, irrigation systems, 111
drainage systems, and other bodies of water, surface or 112
underground, natural or artificial, that are situated wholly or 113
partially within this state or within its jurisdiction, except 114
those private waters that do not combine or effect a junction 115
with natural surface or underground waters. 116

(W) "Exempt Mississippian well" means a well that meets 117
all of the following criteria: 118

(1) Was drilled and completed before January 1, 1980; 119

(2) Is located in an unglaciated part of the state; 120

(3) Was completed in a reservoir no deeper than the 121
Mississippian Big Injun sandstone in areas underlain by 122
Pennsylvanian or Permian stratigraphy, or the Mississippian 123
Berea sandstone in areas directly underlain by Permian 124
stratigraphy; 125

(4) Is used primarily to provide oil or gas for domestic 126
use. 127

(X) "Exempt domestic well" means a well that meets all of 128
the following criteria: 129

(1) Is owned by the owner of the surface estate of the 130
tract on which the well is located; 131

(2) Is used primarily to provide gas for the owner's domestic use;	132 133
(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;	134 135 136 137
(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.	138 139 140 141 142
(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.	143 144 145 146 147 148
(Z) "Well stimulation" or "stimulation of a well" means the process of enhancing well productivity, including hydraulic fracturing operations.	149 150 151
(AA) "Production operation" means all operations and activities and all related equipment, facilities, and other structures that may be used in or associated with the exploration and production of oil, gas, or other mineral resources that are regulated under this chapter, including operations and activities associated with site preparation, site construction, access road construction, well drilling, well completion, well stimulation, well site activities, reclamation, and plugging. "Production operation" also includes all of the	152 153 154 155 156 157 158 159 160

following:	161
(1) The piping, equipment, and facilities used for the	162
production and preparation of hydrocarbon gas or liquids for	163
transportation or delivery;	164
(2) The processes of extraction and recovery, lifting,	165
stabilization, treatment, separation, production processing,	166
storage, waste disposal, and measurement of hydrocarbon gas and	167
liquids, including related equipment and facilities;	168
(3) The processes and related equipment and facilities	169
associated with production compression, gas lift, gas injection,	170
fuel gas supply, well drilling, well stimulation, and well	171
completion activities, including dikes, pits, and earthen and	172
other impoundments used for the temporary storage of fluids and	173
waste substances associated with well drilling, well	174
stimulation, and well completion activities;	175
(4) Equipment and facilities at a wellpad or other	176
location that are used for the transportation, handling,	177
recycling, temporary storage, management, processing, or	178
treatment of any equipment, material, and by-products or other	179
substances from an operation at a wellpad that may be used or	180
reused at the same or another operation at a wellpad or that	181
will be disposed of in accordance with applicable laws and rules	182
adopted under them.	183
(BB) "Annular overpressurization" means the accumulation	184
of fluids within an annulus with sufficient pressure to allow	185
migration of annular fluids into underground sources of drinking	186
water.	187
(CC) "Idle and orphaned well" means a well for which a	188
bond has been forfeited or an abandoned well for which no money	189

is available to plug the well in accordance with this chapter	190
and rules adopted under it.	191
(DD) "Temporarily inactive well" means a well that has	192
been granted temporary inactive status under section 1509.062 of	193
the Revised Code.	194
(EE) "Material and substantial violation" means any of the	195
following:	196
(1) Failure to obtain a permit to drill, reopen, convert,	197
plugback, or plug a well under this chapter;	198
(2) Failure to obtain, maintain, update, or submit proof	199
of insurance coverage that is required under this chapter;	200
(3) Failure to obtain, maintain, update, or submit proof	201
of a surety bond that is required under this chapter;	202
(4) Failure to plug an abandoned well or idle and orphaned	203
well unless the well has been granted temporary inactive status	204
under section 1509.062 of the Revised Code or the chief of the	205
division of oil and gas resources management has approved	206
another option concerning the abandoned well or idle and	207
orphaned well;	208
(5) Failure to restore a disturbed land surface as	209
required by section 1509.072 of the Revised Code;	210
(6) Failure to reimburse the oil and gas well fund	211
pursuant to a final order issued under section 1509.071 of the	212
Revised Code;	213
(7) Failure to comply with a final nonappealable order of	214
the chief issued under section 1509.04 of the Revised Code;	215
(8) Failure to submit a report, test result, fee, or	216

document that is required in this chapter or rules adopted under	217
it.	218
(F) "Severer" has the same meaning as in section 5749.01	219
of the Revised Code.	220
(G) "Horizontal well" means a well that is drilled for	221
the production of oil or gas in which the wellbore reaches a	222
horizontal or near horizontal position in the Point Pleasant,	223
Utica, or Marcellus formation and the well is stimulated.	224
(H) "Well pad" means the area that is cleared or prepared	225
for the drilling of one or more horizontal wells.	226
Sec. 1509.02. There is hereby created in the department of	227
natural resources the division of oil and gas resources	228
management, which shall be administered by the chief of the	229
division of oil and gas resources management. The division has	230
sole and exclusive authority to regulate the permitting,	231
location, and spacing of oil and gas wells and production	232
operations within the state, excepting only those activities	233
regulated under federal laws for which oversight has been	234
delegated to the environmental protection agency and activities	235
regulated under sections 6111.02 to 6111.028 of the Revised	236
Code. The regulation of oil and gas activities is a matter of	237
general statewide interest that requires uniform statewide	238
regulation, and this chapter and rules adopted under it	239
constitute a comprehensive plan with respect to all aspects of	240
the locating, drilling, well stimulation, completing, and	241
operating of oil and gas wells within this state, including site	242
construction and restoration, permitting related to those	243
activities, and the disposal of wastes from those wells. In	244
order to assist the division in the furtherance of its sole and	245
exclusive authority as established in this section, the chief	246

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

The chief shall not hold any other public office, nor 261
shall the chief be engaged in any occupation or business that 262
might interfere with or be inconsistent with the duties as 263
chief. 264

Money collected by the chief pursuant to sections 1509.06, 265
1509.061, 1509.062, 1509.071, 1509.13, ~~1509.22~~, 1509.222, 266
1509.28, 1509.34, 1509.50, and 5749.02 of the Revised Code, all 267
civil penalties paid under section 1509.33 of the Revised Code, 268
and, notwithstanding any section of the Revised Code relating to 269
the distribution or crediting of fines for violations of the 270
Revised Code, all fines imposed under divisions (A) and (B) of 271
section 1509.99 of the Revised Code and fines imposed under 272
divisions (C) and (D) of section 1509.99 of the Revised Code for 273
all violations prosecuted by the attorney general and for 274
violations prosecuted by prosecuting attorneys that do not 275
involve the transportation of brine by vehicle shall be 276
deposited into the state treasury to the credit of the oil and 277

gas well fund, which is hereby created. Fines imposed under 278
divisions (C) and (D) of section 1509.99 of the Revised Code for 279
violations prosecuted by prosecuting attorneys that involve the 280
transportation of brine by vehicle and penalties associated with 281
a compliance agreement entered into pursuant to this chapter 282
shall be paid to the county treasury of the county where the 283
violation occurred. 284

The fund shall be used solely and exclusively for the 285
purposes enumerated in division (B) of section 1509.071 of the 286
Revised Code, for the expenses of the division associated with 287
the administration of this chapter and Chapter 1571. of the 288
Revised Code and rules adopted under them, and for expenses that 289
are critical and necessary for the protection of human health 290
and safety and the environment related to oil and gas production 291
in this state. The expenses of the division in excess of the 292
moneys available in the fund shall be paid from general revenue 293
fund appropriations to the department. 294

Sec. 1509.03. (A) The chief of the division of oil and gas 295
resources management shall adopt, rescind, and amend, in 296
accordance with Chapter 119. of the Revised Code, rules for the 297
administration, implementation, and enforcement of this chapter. 298
The rules shall include an identification of the subjects that 299
the chief shall address when attaching terms and conditions to a 300
permit with respect to a well and production facilities of a 301
well that are located within an urbanized area or with respect 302
to a horizontal well and production facilities associated with a 303
horizontal well. The subjects shall include all of the 304
following: 305

(1) Safety concerning the drilling or operation of a well; 306

(2) Protection of the public and private water supply, 307

including the amount of water used and the source or sources of the water;	308 309
(3) Fencing and screening of surface facilities of a well;	310
(4) Containment and disposal of drilling and production wastes;	311 312
(5) Construction of access roads for purposes of the drilling and operation of a well;	313 314
(6) Noise mitigation for purposes of the drilling of a well and the operation of a well, excluding safety and maintenance operations.	315 316 317
No person shall violate any rule of the chief adopted under this chapter.	318 319
(B) (1) Any order issuing, denying, or modifying a permit or notices required to be made by the chief pursuant to this chapter shall be made in compliance with Chapter 119. of the Revised Code, except that personal service may be used in lieu of service by mail. Every order issuing, denying, or modifying a permit under this chapter and described as such shall be considered an adjudication order for purposes of Chapter 119. of the Revised Code. Division (B) (1) of this section does not apply to a permit issued under section 1509.06 of the Revised Code.	320 321 322 323 324 325 326 327 328
(2) Where notice to the owners is required by this chapter, the notice shall be given as prescribed by a rule adopted by the chief to govern the giving of notices. The rule shall provide for notice by publication except in those cases where other types of notice are necessary in order to meet the requirements of the law.	329 330 331 332 333 334
(C) The chief or the chief's authorized representative may	335

at any time enter upon lands, public or private, for the purpose 336
of administration or enforcement of this chapter, the rules 337
adopted or orders made thereunder, or terms or conditions of 338
permits or registration certificates issued thereunder and may 339
examine and copy records pertaining to the drilling, conversion, 340
or operation of a well for injection of fluids and logs required 341
by division (C) of section 1509.223 of the Revised Code. No 342
person shall prevent or hinder the chief or the chief's 343
authorized representative in the performance of official duties. 344
If entry is prevented or hindered, the chief or the chief's 345
authorized representative may apply for, and the court of common 346
pleas may issue, an appropriate inspection warrant necessary to 347
achieve the purposes of this chapter within the court's 348
territorial jurisdiction. 349

(D) The chief may issue orders to enforce this chapter, 350
rules adopted thereunder, and terms or conditions of permits 351
issued thereunder. Any such order shall be considered an 352
adjudication order for the purposes of Chapter 119. of the 353
Revised Code. No person shall violate any order of the chief 354
issued under this chapter. No person shall violate a term or 355
condition of a permit or registration certificate issued under 356
this chapter. 357

(E) Orders of the chief denying, suspending, or revoking a 358
registration certificate; approving or denying approval of an 359
application for revision of a registered transporter's plan for 360
disposal; or to implement, administer, or enforce division (A) 361
of section 1509.224 and sections 1509.22, 1509.222, 1509.223, 362
and 1509.225,~~and 1509.226~~ of the Revised Code pertaining to the 363
transportation of brine by vehicle and the disposal of brine so 364
transported are not adjudication orders for purposes of Chapter 365
119. of the Revised Code. The chief shall issue such orders 366

under division (A) or (B) of section 1509.224 of the Revised Code, as appropriate.

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

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

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

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

(2) The signature of the owner or the owner's authorized agent. When an authorized agent signs an application, it shall

be accompanied by a certified copy of the appointment as such agent. 396
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(3) The names and addresses of all persons holding the royalty interest in the tract upon which the well is located or is to be drilled or within a proposed drilling unit; 398
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(4) The location of the tract or drilling unit on which the well is located or is to be drilled identified by section or lot number, city, village, township, and county; 401
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(5) Designation of the well by name and number; 404

(6) (a) The geological formation to be tested or used and the proposed total depth of the well; 405
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(b) If the well is for the injection of a liquid, identity of the geological formation to be used as the injection zone and the composition of the liquid to be injected. 407
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(7) The type of drilling equipment to be used; 410

(8) (a) An identification, to the best of the owner's knowledge, of each proposed source of ground water and surface water that will be used in the production operations of the well. The identification of each proposed source of water shall indicate if the water will be withdrawn from the Lake Erie watershed or the Ohio river watershed. In addition, the owner shall provide, to the best of the owner's knowledge, the proposed estimated rate and volume of the water withdrawal for the production operations. If recycled water will be used in the production operations, the owner shall provide the estimated volume of recycled water to be used. The owner shall submit to the chief an update of any of the information that is required by division (A) (8) (a) of this section if any of that information changes before the chief issues a permit for the application. 411
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(b) Except as provided in division (A) (8) (c) of this section, for an application for a permit to drill a new well within an urbanized area, the results of sampling of water wells within three hundred feet of the proposed well prior to commencement of drilling. In addition, the owner shall include a list that identifies the location of each water well where the owner of the property on which the water well is located denied the owner access to sample the water well. The sampling shall be conducted in accordance with the guidelines established in "Best Management Practices For Pre-drilling Water Sampling" in effect at the time that the application is submitted. The division shall furnish those guidelines upon request and shall make them available on the division's web site. If the chief determines that conditions at the proposed well site warrant a revision, the chief may revise the distance established in this division for purposes of pre-drilling water sampling.

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

drilling water sampling. 456

(9) For an application for a permit to drill a new well 457
within an urbanized area, a sworn statement that the applicant 458
has provided notice by regular mail of the application to the 459
owner of each parcel of real property that is located within 460
five hundred feet of the surface location of the well and to the 461
executive authority of the municipal corporation or the board of 462
township trustees of the township, as applicable, in which the 463
well is to be located. In addition, the notice shall contain a 464
statement that informs an owner of real property who is required 465
to receive the notice under division (A) (9) of this section that 466
within five days of receipt of the notice, the owner is required 467
to provide notice under section 1509.60 of the Revised Code to 468
each residence in an occupied dwelling that is located on the 469
owner's parcel of real property. The notice shall contain a 470
statement that an application has been filed with the division 471
of oil and gas resources management, identify the name of the 472
applicant and the proposed well location, include the name and 473
address of the division, and contain a statement that comments 474
regarding the application may be sent to the division. The 475
notice may be provided by hand delivery or regular mail. The 476
identity of the owners of parcels of real property shall be 477
determined using the tax records of the municipal corporation or 478
county in which a parcel of real property is located as of the 479
date of the notice. 480

(10) A plan for restoration of the land surface disturbed 481
by drilling operations. The plan shall provide for compliance 482
with the restoration requirements of division (A) of section 483
1509.072 of the Revised Code and any rules adopted by the chief 484
pertaining to that restoration. 485

(11) (a) A description by name or number of the county, 486
township, and municipal corporation roads, streets, and highways 487
that the applicant anticipates will be used for access to and 488
egress from the well site; 489

(b) For an application for a permit for a horizontal well, 490
a copy of an agreement concerning maintenance and safe use of 491
the roads, streets, and highways described in division (A) (11) 492
(a) of this section entered into on reasonable terms with the 493
public official that has the legal authority to enter into such 494
maintenance and use agreements for each county, township, and 495
municipal corporation, as applicable, in which any such road, 496
street, or highway is located or an affidavit on a form 497
prescribed by the chief attesting that the owner attempted in 498
good faith to enter into an agreement under division (A) (11) (b) 499
of this section with the applicable public official of each such 500
county, township, or municipal corporation, but that no 501
agreement was executed. 502

(12) Such other relevant information as the chief 503
prescribes by rule. 504

Each application shall be accompanied by a map, on a scale 505
not smaller than four hundred feet to the inch, prepared by an 506
Ohio registered surveyor, showing the location of the well and 507
containing such other data as may be prescribed by the chief. If 508
the well is or is to be located within the excavations and 509
workings of a mine, the map also shall include the location of 510
the mine, the name of the mine, and the name of the person 511
operating the mine. 512

(B) The chief shall cause a copy of the weekly circular 513
prepared by the division to be provided to the county engineer 514
of each county that contains active or proposed drilling 515

activity. The weekly circular shall contain, in the manner 516
prescribed by the chief, the names of all applicants for 517
permits, the location of each well or proposed well, the 518
information required by division (A) (11) of this section, and 519
any additional information the chief prescribes. In addition, 520
the chief promptly shall transfer an electronic copy or 521
facsimile, or if those methods are not available to a municipal 522
corporation or township, a copy via regular mail, of a drilling 523
permit application to the clerk of the legislative authority of 524
the municipal corporation or to the clerk of the township in 525
which the well or proposed well is or is to be located if the 526
legislative authority of the municipal corporation or the board 527
of township trustees has asked to receive copies of such 528
applications and the appropriate clerk has provided the chief an 529
accurate, current electronic mailing address or facsimile 530
number, as applicable. 531

(C) (1) Except as provided in division (C) (2) of this 532
section, the chief shall not issue a permit for at least ten 533
days after the date of filing of the application for the permit 534
unless, upon reasonable cause shown, the chief waives that 535
period or a request for expedited review is filed under this 536
section. However, the chief shall issue a permit within twenty- 537
one days of the filing of the application unless the chief 538
denies the application by order. 539

(2) If the location of a well or proposed well will be or 540
is within an urbanized area, the chief shall not issue a permit 541
for at least eighteen days after the date of filing of the 542
application for the permit unless, upon reasonable cause shown, 543
the chief waives that period or the chief at the chief's 544
discretion grants a request for an expedited review. However, 545
the chief shall issue a permit for a well or proposed well 546

within an urbanized area within thirty days of the filing of the 547
application unless the chief denies the application by order. 548

(D) An applicant may file a request with the chief for 549
expedited review of a permit application if the well is not or 550
is not to be located in a gas storage reservoir or reservoir 551
protective area, as "reservoir protective area" is defined in 552
section 1571.01 of the Revised Code. If the well is or is to be 553
located in a coal bearing township, the application shall be 554
accompanied by the affidavit of the landowner prescribed in 555
section 1509.08 of the Revised Code. 556

In addition to a complete application for a permit that 557
meets the requirements of this section and the permit fee 558
prescribed by this section, a request for expedited review shall 559
be accompanied by a separate nonrefundable filing fee of two 560
hundred fifty dollars. Upon the filing of a request for 561
expedited review, the chief shall cause the county engineer of 562
the county in which the well is or is to be located to be 563
notified of the filing of the permit application and the request 564
for expedited review by telephone or other means that in the 565
judgment of the chief will provide timely notice of the 566
application and request. The chief shall issue a permit within 567
seven days of the filing of the request unless the chief denies 568
the application by order. Notwithstanding the provisions of this 569
section governing expedited review of permit applications, the 570
chief may refuse to accept requests for expedited review if, in 571
the chief's judgment, the acceptance of the requests would 572
prevent the issuance, within twenty-one days of their filing, of 573
permits for which applications are pending. 574

(E) A well shall be drilled and operated in accordance 575
with the plans, sworn statements, and other information 576

submitted in the approved application. 577

(F) The chief shall issue an order denying a permit if the 578
chief finds that there is a substantial risk that the operation 579
will result in violations of this chapter or rules adopted under 580
it that will present an imminent danger to public health or 581
safety or damage to the environment, provided that where the 582
chief finds that terms or conditions to the permit can 583
reasonably be expected to prevent such violations, the chief 584
shall issue the permit subject to those terms or conditions, 585
including, if applicable, terms and conditions regarding 586
subjects identified in rules adopted under section 1509.03 of 587
the Revised Code. The issuance of a permit shall not be 588
considered an order of the chief. 589

The chief shall post notice of each permit that has been 590
approved under this section on the division's web site not later 591
than two business days after the application for a permit has 592
been approved. 593

(G) Each application for a permit required by section 594
1509.05 of the Revised Code, ~~except an application for a well-~~ 595
~~drilled or reopened for purposes of section 1509.22 of the~~ 596
~~Revised Code,~~ also shall be accompanied by a nonrefundable fee 597
as follows: 598

(1) Five hundred dollars for a permit to conduct 599
activities in a township with a population of fewer than ten 600
thousand; 601

(2) Seven hundred fifty dollars for a permit to conduct 602
activities in a township with a population of ten thousand or 603
more, but fewer than fifteen thousand; 604

(3) One thousand dollars for a permit to conduct 605

activities in either of the following: 606

(a) A township with a population of fifteen thousand or 607
more; 608

(b) A municipal corporation regardless of population. 609

(4) If the application is for a permit that requires 610
mandatory pooling, an additional five thousand dollars. 611

For purposes of calculating fee amounts, populations shall 612
be determined using the most recent federal decennial census. 613

Each application for the revision or reissuance of a 614
permit shall be accompanied by a nonrefundable fee of two 615
hundred fifty dollars. 616

(H) (1) Prior to the commencement of well pad construction 617
and prior to the issuance of a permit to drill a proposed 618
horizontal well or a proposed well that is to be located in an 619
urbanized area, the division shall conduct a site review to 620
identify and evaluate any site-specific terms and conditions 621
that may be attached to the permit. At the site review, a 622
representative of the division shall consider fencing, 623
screening, and landscaping requirements, if any, for similar 624
structures in the community in which the well is proposed to be 625
located. The terms and conditions that are attached to the 626
permit shall include the establishment of fencing, screening, 627
and landscaping requirements for the surface facilities of the 628
proposed well, including a tank battery of the well. 629

(2) Prior to the issuance of a permit to drill a proposed 630
well, the division shall conduct a review to identify and 631
evaluate any site-specific terms and conditions that may be 632
attached to the permit if the proposed well will be located in a 633
one-hundred-year floodplain or within the five-year time of 634

travel associated with a public drinking water supply. 635

(I) A permit shall be issued by the chief in accordance 636
with this chapter. A permit issued under this section for a well 637
that is or is to be located in an urbanized area shall be valid 638
for twelve months, and all other permits issued under this 639
section shall be valid for twenty-four months. 640

(J) An applicant or a permittee, as applicable, shall 641
submit to the chief an update of the information that is 642
required under division (A)(8)(a) of this section if any of that 643
information changes prior to commencement of production 644
operations. 645

(K) A permittee or a permittee's authorized representative 646
shall notify an inspector from the division at least twenty-four 647
hours, or another time period agreed to by the chief's 648
authorized representative, prior to the commencement of well pad 649
construction and of drilling, reopening, ~~converting,~~ well 650
stimulation, or plugback operations. 651

Sec. 1509.08. Upon receipt of an application for a permit 652
required by section 1509.05 of the Revised Code, or upon receipt 653
of an application for a permit to plug and abandon under section 654
1509.13 of the Revised Code, the chief of the division of oil 655
and gas resources management shall determine whether the well is 656
or is to be located in a coal bearing township. 657

Whether or not the well is or is to be located in a coal 658
bearing township, the chief, by order, may refuse to issue a 659
permit required by section 1509.05 of the Revised Code to any 660
applicant who at the time of applying for the permit is in 661
material or substantial violation of this chapter or rules 662
adopted or orders issued under it. The chief shall refuse to 663

issue a permit to any applicant who at the time of applying for 664
the permit has been found liable by a final nonappealable order 665
of a court of competent jurisdiction for damage to streets, 666
roads, highways, bridges, culverts, or drainways pursuant to 667
section 4513.34 or 5577.12 of the Revised Code until the 668
applicant provides the chief with evidence of compliance with 669
the order. No applicant shall attempt to circumvent this 670
provision by applying for a permit under a different name or 671
business organization name, by transferring responsibility to 672
another person or entity, by abandoning the well or lease, or by 673
any other similar act. 674

If the well is not or is not to be located in a coal 675
bearing township, or if it is to be located in a coal bearing 676
township, but the landowner submits an affidavit attesting to 677
ownership of the property in fee simple, including the coal, and 678
has no objection to the well, the chief shall issue the permit. 679

If the application to drill, or ~~reopen, or convert~~ 680
concerns a well that is or is to be located in a coal bearing 681
township, the chief shall transmit to the chief of the division 682
of mineral resources management two copies of the application 683
and three copies of the map required in section 1509.06 of the 684
Revised Code, except that, when the affidavit with the waiver of 685
objection described above is submitted, the chief of the 686
division of oil and gas resources management shall not transmit 687
the copies. 688

The chief of the division of mineral resources management 689
immediately shall notify the owner or lessee of any affected 690
mine that the application has been filed and send to the owner 691
or lessee two copies of the map accompanying the application 692
setting forth the location of the well. 693

If the owner or lessee objects to the location of the well 694
or objects to any location within fifty feet of the original 695
location as a possible site for relocation of the well, the 696
owner or lessee shall notify the chief of the division of 697
mineral resources management of the objection, giving the 698
reasons for the objection and, if applicable, indicating on a 699
copy of the map the particular location or locations within 700
fifty feet of the original location to which the owner or lessee 701
objects as a site for possible relocation of the well, within 702
six days after the receipt of the notice. If the chief receives 703
no objections from the owner or lessee of the mine within ten 704
days after the receipt of the notice by the owner or lessee, or 705
if in the opinion of the chief the objections offered by the 706
owner or lessee are not sufficiently well founded, the chief 707
immediately shall notify the owner or lessee of those findings. 708
The owner or lessee may appeal the decision of the chief to the 709
reclamation commission under section 1513.13 of the Revised 710
Code. The appeal shall be filed within fifteen days, 711
notwithstanding provisions in ~~divisions~~ division (A) (1) of 712
section 1513.13 of the Revised Code to the contrary, from the 713
date on which the owner or lessee receives the notice. If the 714
appeal is not filed within that time, the chief immediately 715
shall approve the application, retain a copy of the application 716
and map, and return a copy of the application to the chief of 717
the division of oil and gas resources management with the 718
approval noted on it. The chief of the division of oil and gas 719
resources management then shall issue the permit if the 720
provisions of this chapter pertaining to the issuance of such a 721
permit have been complied with. 722

If the chief of the division of mineral resources 723
management receives an objection from the owner or lessee of the 724

mine as to the location of the well within ten days after 725
receipt of the notice by the owner or lessee, and if in the 726
opinion of the chief the objection is well founded, the chief 727
shall disapprove the application and immediately return it to 728
the chief of the division of oil and gas resources management 729
together with the reasons for disapproval and a suggestion for a 730
new location for the well, provided that the suggested new 731
location shall not be a location within fifty feet of the 732
original location to which the owner or lessee has objected as a 733
site for possible relocation of the well if the chief of the 734
division of mineral resources management has determined that the 735
objection is well founded. The chief of the division of oil and 736
gas resources management immediately shall notify the applicant 737
for the permit of the disapproval and any suggestion made by the 738
chief of the division of mineral resources management as to a 739
new location for the well. The applicant may withdraw the 740
application or amend the application to drill the well at the 741
location suggested by the chief, or the applicant may appeal the 742
disapproval of the application by the chief to the reclamation 743
commission. 744

If the chief of the division of mineral resources 745
management receives no objection from the owner or lessee of a 746
mine as to the location of the well, but does receive an 747
objection from the owner or lessee as to one or more locations 748
within fifty feet of the original location as possible sites for 749
relocation of the well within ten days after receipt of the 750
notice by the owner or lessee, and if in the opinion of the 751
chief the objection is well founded, the chief nevertheless 752
shall approve the application and shall return it immediately to 753
the chief of the division of oil and gas resources management 754
together with the reasons for disapproving any of the locations 755

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

Any such appeal shall be filed within fifteen days, 769
notwithstanding provisions in division (A) (1) of section 1513.13 770
of the Revised Code to the contrary, from the date the applicant 771
receives notice of the disapproval of the application, any other 772
location within fifty feet of the original location, or terms or 773
conditions of the permit, or the owner or lessee receives notice 774
of the chief's decision. No approval or disapproval of an 775
application shall be delayed by the chief of the division of 776
mineral resources management for more than fifteen days from the 777
date of sending the notice of the application to the mine owner 778
or lessee as required by this section. 779

All appeals provided for in this section shall be treated 780
as expedited appeals. The reclamation commission shall hear any 781
such appeal in accordance with section 1513.13 of the Revised 782
Code and issue a decision within thirty days of the filing of 783
the notice of appeal. 784

The chief of the division of oil and gas resources 785

management shall not issue a permit to drill a new well or 786
reopen a well that is or is to be located within three hundred 787
feet of any opening of any mine used as a means of ingress, 788
egress, or ventilation for persons employed in the mine, nor 789
within one hundred feet of any building or inflammable structure 790
connected with the mine and actually used as a part of the 791
operating equipment of the mine, unless the chief of the 792
division of mineral resources management determines that life or 793
property will not be endangered by drilling and operating the 794
well in that location. 795

The chief of the division of mineral resources management 796
may suspend the drilling or reopening of a well in a coal 797
bearing township after determining that the drilling or 798
reopening activities present an imminent and substantial threat 799
to public health or safety or to miners' health or safety and 800
having been unable to contact the chief of the division of oil 801
and gas resources management to request an order of suspension 802
under section 1509.06 of the Revised Code. Before issuing a 803
suspension order for that purpose, the chief of the division of 804
mineral resources management shall notify the owner in a manner 805
that in the chief's judgment would provide reasonable 806
notification that the chief intends to issue a suspension order. 807
The chief may issue such an order without prior notification if 808
reasonable attempts to notify the owner have failed, but in that 809
event notification shall be given as soon thereafter as 810
practical. Within five calendar days after the issuance of the 811
order, the chief shall provide the owner an opportunity to be 812
heard and to present evidence that the activities do not present 813
an imminent and substantial threat to public health or safety or 814
to miners' health or safety. If, after considering the evidence 815
presented by the owner, the chief determines that the activities 816

do not present such a threat, the chief shall revoke the 817
suspension order. An owner may appeal a suspension order issued 818
by the chief of the division of mineral resources management 819
under this section to the reclamation commission in accordance 820
with section 1513.13 of the Revised Code or may appeal the order 821
directly to the court of common pleas of the county in which the 822
well is located. 823

Sec. 1509.21. ~~No~~ (A) Except as provided in division (B) of 824
this section, no person shall, without first having obtained a 825
permit from the chief of the division of oil and gas resources 826
management, conduct secondary or additional recovery operations, 827
including any underground injection of fluids or carbon dioxide 828
for the secondary or tertiary recovery of oil or natural gas or 829
for the storage of hydrocarbons that are liquid at standard 830
temperature or pressure, unless a rule of the chief expressly 831
authorizes such operations without a permit. The permit shall be 832
in addition to any permit required by section 1509.05 of the 833
Revised Code. Secondary or additional recovery operations shall 834
be conducted in accordance with rules and orders of the chief 835
and any terms or conditions of the permit authorizing such 836
operations. In addition, the chief may authorize tests to 837
evaluate whether fluids or carbon dioxide may be injected in a 838
reservoir and to determine the maximum allowable injection 839
pressure. The tests shall be conducted in accordance with 840
methods prescribed in rules of the chief or conditions of the 841
permit. Rules adopted under this section shall include 842
provisions regarding applications for and the issuance of 843
permits; the terms and conditions of permits; entry to conduct 844
inspections and to examine records to ascertain compliance with 845
this section and rules, orders, and terms and conditions of 846
permits adopted or issued thereunder; the provision and 847

maintenance of information through monitoring, recordkeeping, 848
and reporting; and other provisions in furtherance of the goals 849
of this section and the Safe Drinking Water Act. To implement 850
the goals of the Safe Drinking Water Act, the chief shall not 851
issue a permit for the underground injection of fluids for the 852
secondary or tertiary recovery of oil or natural gas or for the 853
storage of hydrocarbons that are liquid at standard temperature 854
and pressure, unless the chief concludes that the applicant has 855
demonstrated that the injection will not result in the presence 856
of any contaminant in underground water that supplies or can be 857
reasonably expected to supply any public water system, such that 858
the presence of any such contaminant may result in the system's 859
not complying with any national primary drinking water 860
regulation or may otherwise adversely affect the health of 861
persons. Rules, orders, and terms or conditions of permits 862
adopted or issued under this section shall be construed to be no 863
more stringent than required for compliance with the Safe 864
Drinking Water Act, unless essential to ensure that underground 865
sources of drinking water will not be endangered. 866

(B) No person shall use brine for any recovery operation 867
conducted pursuant to division (A) of this section. 868

Sec. 1509.22. (A) ~~Except when acting in accordance with~~ 869
~~section 1509.226 of the Revised Code, no~~ (1) No person shall 870
place or cause to be placed brine in or on the land or in 871
surface or ground water. 872

(2) No person shall place or cause to be placed in ground 873
water or in or on the land or discharge or cause to be 874
discharged in surface water ~~brine,~~ crude oil, natural gas, or 875
other fluids associated with the exploration, development, well 876
stimulation, production operations, or plugging of oil and gas 877

resources that ~~causes~~cause or could reasonably be anticipated 878
to cause damage or injury to public health or safety or the 879
environment. 880

(3) Divisions (A)(1) and (2) of this section apply 881
regardless of whether brine, crude oil, natural gas, or other 882
fluids associated with the exploration or development of oil and 883
gas resources have been treated in a public water system or 884
other treatment system or process. 885

(B) (1) No person shall store or dispose of brine in 886
violation of a plan approved under division (A) of section 887
1509.222 ~~or section 1509.226~~ of the Revised Code, ~~in violation~~ 888
~~of a resolution submitted under section 1509.226 of the Revised~~ 889
~~Code,~~ or in violation of rules or orders applicable to those 890
plans ~~or resolutions~~. 891

(2) (a) On and after January 1, 2014, no person shall 892
store, recycle, treat, process, or dispose of in this state 893
brine or other waste substances associated with the exploration, 894
development, well stimulation, production operations, or 895
plugging of oil and gas resources without an order or a permit 896
issued under this section or section 1509.06 or 1509.21 of the 897
Revised Code or rules adopted under any of those sections. For 898
purposes of division (B) (2) (a) of this section, a permit or 899
other form of authorization issued by another agency of the 900
state or a political subdivision of the state shall not be 901
considered a permit or order issued by the chief of the division 902
of oil and gas resources management under this chapter. 903

(b) Division (B) (2) (a) of this section does not apply to a 904
person that disposes of such waste substances other than brine 905
in accordance with Chapter 3734. of the Revised Code and rules 906
adopted under it. 907

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

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

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

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

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

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

~~(d) In any other manner not specified in divisions (C)(1) (a) to (c) of this section that is by a method approved by a permit or order issued by the chief that utilizes a technology that does not involve underground injection or disposal on the land or in surface or ground water. No person shall fail to~~

<u>comply with this division.</u>	937
(2) Brine from exempt Mississippian wells shall not be discharged directly into the waters of the state.	938 939
(3) Muds, cuttings, and other waste substances shall not be disposed of in violation of this chapter or any rule adopted under it.	940 941 942
(4) <u>(3)</u> Pits or steel tanks shall be used as authorized by the chief for containing brine and other waste substances resulting from, obtained from, or produced in connection with drilling, well stimulation, reworking, reconditioning, plugging back, or plugging operations. The pits and steel tanks shall be constructed and maintained to prevent the escape of brine and other waste substances.	943 944 945 946 947 948 949
(5) <u>(4)</u> A dike or pit may be used for spill prevention and control. A dike or pit so used shall be constructed and maintained to prevent the escape of brine and crude oil, and the reservoir within such a dike or pit shall be kept reasonably free of brine, crude oil, and other waste substances.	950 951 952 953 954
(6) <u>(5)</u> Impoundments constructed utilizing a synthetic liner pursuant to the division's specifications may be used for the temporary storage of waste substances used in the construction, stimulation, or plugging of a well.	955 956 957 958
(7) <u>(6)</u> No pit or dike shall be used for the temporary storage of brine or other waste substances except in accordance with divisions (C) (4) <u>(3)</u> and (5) <u>(4)</u> of this section.	959 960 961
(8) <u>(7)</u> No pit or dike shall be used for the ultimate disposal of brine or other liquid waste substances.	962 963
(D) (1) No person, without first having obtained a permit	964

~~from the chief, shall inject brine or other waste substances 965~~
~~resulting from, obtained from, or produced in connection with 966~~
~~oil or gas drilling, exploration, or production into an 967~~
~~underground formation unless a rule of the chief expressly 968~~
~~authorizes the injection without a permit. The permit shall be 969~~
~~in addition to any permit required by section 1509.05 of the 970~~
~~Revised Code, and the permit application shall be accompanied by 971~~
~~a permit fee of one thousand dollars. The chief shall adopt 972~~
~~rules in accordance with Chapter 119. of the Revised Code 973~~
~~regarding the injection into wells of brine and other waste 974~~
~~substances resulting from, obtained from, or produced in 975~~
~~connection with oil or gas drilling, exploration, or production. 976~~
~~The rules shall include provisions regarding all of the 977~~
~~following: 978~~

~~(a) Applications for and issuance of the permits required 979~~
~~by this division; 980~~

~~(b) Entry to conduct inspections and to examine and copy 981~~
~~records to ascertain compliance with this division and rules, 982~~
~~orders, and terms and conditions of permits adopted or issued 983~~
~~under it; 984~~

~~(c) The provision and maintenance of information through 985~~
~~monitoring, recordkeeping, and reporting. In addition, the rules 986~~
~~shall require the owner of an injection well who has been issued 987~~
~~a permit under division (D) of this section to quarterly submit 988~~
~~electronically to the chief information concerning each shipment 989~~
~~of brine or other waste substances received by the owner for 990~~
~~injection into the well. 991~~

~~(d) The provision and electronic reporting quarterly of 992~~
~~information concerning brine and other waste substances from a 993~~
~~transporter that is registered under section 1509.222 of the 994~~

~~Revised Code prior to the injection of the transported brine or
other waste substances;~~ 995
996

~~(c) Any other provisions in furtherance of the goals of
this section and the Safe Drinking Water Act.~~ 997
998

(2) The chief may adopt rules in accordance with Chapter 999
119. of the Revised Code authorizing tests to evaluate whether 1000
carbon dioxide or fluids or carbon dioxide, other than brine or 1001
other waste substances, may be injected in a reservoir and to 1002
determine the maximum allowable injection pressure, which shall 1003
be conducted in accordance with methods prescribed in the rules 1004
or in accordance with conditions of ~~the~~a permit issued by the 1005
chief for that purpose. In addition, the chief may adopt rules 1006
that do both of the following: 1007

(a) Establish the total depth of a well for which a permit 1008
has been applied for or issued under this division; 1009

(b) Establish requirements and procedures to protect 1010
public health and safety. 1011

(3) ~~To implement the goals of the Safe Drinking Water Act~~ 1012
~~, the~~The chief shall not issue a permit for the injection of 1013
brine or other waste substances resulting from, obtained from, 1014
or produced in connection with oil or gas drilling, exploration, 1015
or production ~~unless the chief concludes that the applicant has~~ 1016
~~demonstrated that the injection will not result in the presence~~ 1017
~~of any contaminant in ground water that supplies or can~~ 1018
~~reasonably be expected to supply any public water system, such~~ 1019
~~that the presence of the contaminant may result in the system's~~ 1020
~~not complying with any national primary drinking water~~ 1021
~~regulation or may otherwise adversely affect the health of~~ 1022
~~persons.~~ 1023

(4) The chief may issue an order to the owner of a well in 1024
existence on September 10, 2012, to make changes in the 1025
operation of the well in order to correct problems or to address 1026
safety concerns. 1027

~~(5) This division and rules, orders, and terms and 1028
conditions of permits adopted or issued under it shall be 1029
construed to be no more stringent than required for compliance 1030
with the Safe Drinking Water Act unless essential to ensure that 1031
underground sources of drinking water will not be endangered. 1032~~

(E) The owner holding a permit, or an assignee or 1033
transferee who has assumed the obligations and liabilities 1034
imposed by this chapter and any rules adopted or orders issued 1035
under it pursuant to section 1509.31 of the Revised Code, and 1036
the operator of a well shall be liable for a violation of this 1037
section or any rules adopted or orders or terms or conditions of 1038
a permit issued under it. 1039

(F) An owner shall replace the water supply of the holder 1040
of an interest in real property who obtains all or part of the 1041
holder's supply of water for domestic, agricultural, industrial, 1042
or other legitimate use from an underground or surface source 1043
where the supply has been substantially disrupted by 1044
contamination, diminution, or interruption proximately resulting 1045
from the owner's oil or gas operation, or the owner may elect to 1046
compensate the holder of the interest in real property for the 1047
difference between the fair market value of the interest before 1048
the damage occurred to the water supply and the fair market 1049
value after the damage occurred if the cost of replacing the 1050
water supply exceeds this difference in fair market values. 1051
However, during the pendency of any order issued under this 1052
division, the owner shall obtain for the holder or shall 1053

reimburse the holder for the reasonable cost of obtaining a 1054
water supply from the time of the contamination, diminution, or 1055
interruption by the operation until the owner has complied with 1056
an order of the chief for compliance with this division or such 1057
an order has been revoked or otherwise becomes not effective. If 1058
the owner elects to pay the difference in fair market values, 1059
but the owner and the holder have not agreed on the difference 1060
within thirty days after the chief issues an order for 1061
compliance with this division, within ten days after the 1062
expiration of that thirty-day period, the owner and the chief 1063
each shall appoint an appraiser to determine the difference in 1064
fair market values, except that the holder of the interest in 1065
real property may elect to appoint and compensate the holder's 1066
own appraiser, in which case the chief shall not appoint an 1067
appraiser. The two appraisers appointed shall appoint a third 1068
appraiser, and within thirty days after the appointment of the 1069
third appraiser, the three appraisers shall hold a hearing to 1070
determine the difference in fair market values. Within ten days 1071
after the hearing, the appraisers shall make their determination 1072
by majority vote and issue their final determination of the 1073
difference in fair market values. The chief shall accept a 1074
determination of the difference in fair market values made by 1075
agreement of the owner and holder or by appraisers under this 1076
division and shall make and dissolve orders accordingly. This 1077
division does not affect in any way the right of any person to 1078
enforce or protect, under applicable law, the person's interest 1079
in water resources affected by an oil or gas operation. 1080

(G) In any action brought by the state for a violation of 1081
division (A) of this section involving any well at which annular 1082
disposal is used, there shall be a rebuttable presumption 1083
available to the state that the annular disposal caused the 1084

violation if the well is located within a one-quarter-mile 1085
radius of the site of the violation. 1086

~~(H) (1) There is levied on the owner of an injection well 1087
who has been issued a permit under division (D) of this section 1088
the following fees: 1089~~

~~(a) Five cents per barrel of each substance that is 1090
delivered to a well to be injected in the well when the 1091
substance is produced within the division of oil and gas 1092
resources management regulatory district in which the well is 1093
located or within an adjoining oil and gas resources management 1094
regulatory district; 1095~~

~~(b) Twenty cents per barrel of each substance that is 1096
delivered to a well to be injected in the well when the 1097
substance is not produced within the division of oil and gas 1098
resources management regulatory district in which the well is 1099
located or within an adjoining oil and gas resources management 1100
regulatory district. 1101~~

~~(2) The maximum number of barrels of substance per 1102
injection well in a calendar year on which a fee may be levied 1103
under division (H) of this section is five hundred thousand. If 1104
in a calendar year the owner of an injection well receives more 1105
than five hundred thousand barrels of substance to be injected 1106
in the owner's well and if the owner receives at least one 1107
substance that is produced within the division's regulatory 1108
district in which the well is located or within an adjoining 1109
regulatory district and at least one substance that is not 1110
produced within the division's regulatory district in which the 1111
well is located or within an adjoining regulatory district, the 1112
fee shall be calculated first on all of the barrels of substance 1113
that are not produced within the division's regulatory district 1114~~

~~in which the well is located or within an adjoining district at the rate established in division (H) (2) of this section. The fee then shall be calculated on the barrels of substance that are produced within the division's regulatory district in which the well is located or within an adjoining district at the rate established in division (H) (1) of this section until the maximum number of barrels established in division (H) (2) of this section has been attained.~~ 1115
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~~(3) The owner of an injection well who is issued a permit under division (D) of this section shall collect the fee levied by division (H) of this section on behalf of the division of oil and gas resources management and forward the fee to the division. The chief shall transmit all money received under division (H) of this section to the treasurer of state who shall deposit the money in the state treasury to the credit of the oil and gas well fund created in section 1509.02 of the Revised Code. The owner of an injection well who collects the fee levied by this division may retain up to three per cent of the amount that is collected.~~ 1123
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~~(4) The chief shall adopt rules in accordance with Chapter 119. of the Revised Code establishing requirements and procedures for collection of the fee levied by division (H) of this section.~~ 1134
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Sec. 1509.222. (A) (1) ~~Except as provided in section 1509.226 of the Revised Code, no~~ No person shall transport brine by vehicle in this state unless the business entity that employs the person first registers with and obtains a registration certificate and identification number from the chief of the division of oil and gas resources management. 1138
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(2) No more than one registration certificate shall be 1144

required of any business entity. Registration certificates 1145
issued under this section are not transferable. An applicant 1146
shall file an application with the chief, containing such 1147
information in such form as the chief prescribes. The 1148
application shall include at least all of the following: 1149

(a) A list that identifies each vehicle, vessel, railcar, 1150
and container that will be used in the transportation of brine; 1151

(b) A plan for disposal that provides for compliance with 1152
the requirements of this chapter and rules of the chief 1153
pertaining to the transportation of brine by vehicle and the 1154
disposal of brine so transported and that lists all disposal 1155
sites that the applicant intends to use; 1156

(c) The bond required by section 1509.225 of the Revised 1157
Code; 1158

(d) A certificate issued by an insurance company 1159
authorized to do business in this state certifying that the 1160
applicant has in force a liability insurance policy in an amount 1161
not less than three hundred thousand dollars bodily injury 1162
coverage and three hundred thousand dollars property damage 1163
coverage to pay damages for injury to persons or property caused 1164
by the collecting, handling, transportation, or disposal of 1165
brine. 1166

The insurance policy required by division (A) (2) (d) of 1167
this section shall be maintained in effect during the term of 1168
the registration certificate. The policy or policies providing 1169
the coverage shall require the insurance company to give notice 1170
to the chief if the policy or policies lapse for any reason. 1171
Upon such termination of the policy, the chief may suspend the 1172
registration certificate until proper insurance coverage is 1173

obtained. 1174

(3) Each application for a registration certificate shall 1175
be accompanied by a nonrefundable fee of fifty dollars. 1176

(4) If a business entity that has been issued a 1177
registration certificate under this section changes its name due 1178
to a business reorganization or merger, the business entity 1179
shall revise the bond or certificates of deposit required by 1180
section 1509.225 of the Revised Code and obtain a new 1181
certificate from an insurance company in accordance with 1182
division (A) (2) ~~(e)~~ (d) of this section to reflect the change in 1183
the name of the business entity. 1184

(B) The chief shall issue an order denying an application 1185
for a registration certificate if the chief finds that either of 1186
the following applies: 1187

(1) The applicant, at the time of applying for the 1188
registration certificate, has been found liable by a final 1189
nonappealable order of a court of competent jurisdiction for 1190
damage to streets, roads, highways, bridges, culverts, or 1191
drainways pursuant to section 4513.34 or 5577.12 of the Revised 1192
Code until the applicant provides the chief with evidence of 1193
compliance with the order. 1194

(2) The applicant's plan for disposal does not provide for 1195
compliance with the requirements of this chapter and rules of 1196
the chief pertaining to the transportation of brine by vehicle 1197
and the disposal of brine so transported. 1198

(C) No applicant shall attempt to circumvent division (B) 1199
of this section by applying for a registration certificate under 1200
a different name or business organization name, by transferring 1201
responsibility to another person or entity, or by any similar 1202

act. 1203

(D) A registered transporter shall apply to revise a 1204
disposal plan under procedures that the chief shall prescribe by 1205
rule. However, at a minimum, an application for a revision shall 1206
list all sources and disposal sites of brine currently 1207
transported. The chief shall deny any application for a revision 1208
of a plan under this division if the chief finds that the 1209
proposed revised plan does not provide for compliance with the 1210
requirements of this chapter and rules of the chief pertaining 1211
to the transportation of brine by vehicle and the disposal of 1212
brine so transported. Approvals and denials of revisions shall 1213
be by order of the chief. 1214

(E) The chief may adopt rules, issue orders, and attach 1215
terms and conditions to registration certificates as may be 1216
necessary to administer, implement, and enforce sections 1217
1509.222 to ~~1509.226~~ 1509.225 of the Revised Code for protection 1218
of public health or safety or conservation of natural resources. 1219

Sec. 1509.223. (A) No permit holder or owner of a well 1220
shall enter into an agreement with or permit any person to 1221
transport brine produced from the well who is not registered 1222
pursuant to section 1509.222 of the Revised Code ~~or exempt from~~ 1223
~~registration under section 1509.226 of the Revised Code.~~ 1224

(B) Each registered transporter shall file with the chief 1225
of the division of oil and gas resources management, on or 1226
before the fifteenth day of April, a statement concerning brine 1227
transported, including quantities transported and source and 1228
delivery points, during the last preceding calendar year, and 1229
such other information in such form as the chief may prescribe. 1230

(C) Each registered transporter shall keep on each vehicle 1231

used to transport brine a daily log and have it available upon 1232
the request of the chief or an authorized representative of the 1233
chief or a peace officer. The log shall, at a minimum, include 1234
all of the following information: 1235

(1) The name of the owner or owners of the well or wells 1236
producing the brine to be transported; 1237

(2) The date and time the brine is loaded; 1238

(3) The name of the driver; 1239

(4) The amount of brine loaded at each collection point; 1240

(5) The disposal location; 1241

(6) The date and time the brine is disposed of and the 1242
amount of brine disposed of at each location. 1243

The chief, by rule, may establish procedures for the 1244
electronic submission to the chief of the information that is 1245
required to be included in the daily log. No registered 1246
transporter shall falsify or fail to keep or submit the log 1247
required by this division. 1248

(D) Each registered transporter shall legibly identify 1249
with reflective paints all vehicles employed in transporting or 1250
disposing of brine. Letters shall be no less than four inches in 1251
height and shall indicate the identification number issued by 1252
the chief, the word "brine," and the name and telephone number 1253
of the transporter. 1254

(E) The chief shall maintain and keep a current list of 1255
persons registered to transport brine under section 1509.222 of 1256
the Revised Code. The list shall be open to public inspection. 1257
It is an affirmative defense to a charge under division (A) of 1258
this section that at the time the permit holder or owner of a 1259

well entered into an agreement with or permitted a person to 1260
transport brine, the person was shown on the list as currently 1261
registered to transport brine. 1262

Sec. 1509.224. (A) In addition to any other remedies 1263
provided in this chapter, if the chief of the division of oil 1264
and gas resources management has reason to believe that a 1265
pattern of the same or similar violations of any requirements of 1266
section 1509.22, 1509.222, or 1509.223 of the Revised Code, or 1267
any rule adopted thereunder or term or condition of the 1268
registration certificate issued thereunder exists or has 1269
existed, and the violations are caused by the transporter's 1270
indifference, lack of diligence, or lack of reasonable care, or 1271
are willfully caused by the transporter, the chief shall 1272
immediately issue an order to the transporter to show cause why 1273
the certificate should not be suspended or revoked. After the 1274
issuance of the order, the chief shall provide the transporter 1275
an opportunity to be heard and to present evidence at an 1276
informal hearing conducted by the chief. If, at the conclusion 1277
of the hearing, the chief finds that such a pattern of 1278
violations exists or has existed, the chief shall issue an order 1279
suspending or revoking the transporter's registration 1280
certificate. An order suspending or revoking a certificate under 1281
this section may be appealed under sections 1509.36 and 1509.37 1282
of the Revised Code, or notwithstanding any other provision of 1283
this chapter, may be appealed directly to the court of common 1284
pleas of Franklin county. 1285

(B) Before issuing an order denying a registration 1286
certificate; approving or denying approval of an application for 1287
revision of a registered transporter's plan for disposal; or to 1288
implement, administer, or enforce section 1509.22, 1509.222, 1289
1509.223, or 1509.225, ~~or 1509.226~~ of the Revised Code and rules 1290

and terms and conditions of registration certificates adopted or 1291
issued thereunder pertaining to the transportation of brine by 1292
vehicle and the disposal of brine so transported, the chief 1293
shall issue a preliminary order indicating the chief's intent to 1294
issue a final order. The preliminary order shall clearly state 1295
the nature of the chief's proposed action and the findings on 1296
which it is based and shall state that the preliminary order 1297
becomes a final order thirty days after its issuance unless the 1298
person to whom the preliminary order is directed submits to the 1299
chief a written request for an informal hearing before the chief 1300
within that thirty-day period. At the hearing the person may 1301
present evidence as to why the preliminary order should be 1302
revoked or modified. Based upon the findings from the informal 1303
hearing, the chief shall revoke, issue, or modify and issue the 1304
preliminary order as a final order. A final order may be 1305
appealed under sections 1509.36 and 1509.37 of the Revised Code. 1306

Sec. 1509.99. (A) Whoever violates sections 1509.01 to 1307
1509.31 of the Revised Code or any rules adopted or orders or 1308
terms or conditions of a permit issued pursuant to these 1309
sections for which no specific penalty is provided in this 1310
section shall be fined not less than one hundred nor more than 1311
one thousand dollars for a first offense; for each subsequent 1312
offense the person shall be fined not less than two hundred nor 1313
more than two thousand dollars. 1314

(B) Whoever violates section 1509.221 of the Revised Code 1315
or any rules adopted or orders or terms or conditions of a 1316
permit issued thereunder shall be fined not more than five 1317
thousand dollars for each violation. 1318

(C) Whoever knowingly violates section 1509.072, division 1319
(A), (B), or (D) of section 1509.22, division (A)(1) or (C) of 1320

section 1509.222, or division (A) or (D) of section 1509.223 of 1321
the Revised Code or any rules adopted or orders issued under 1322
division (C) of section 1509.22 or rules adopted or orders or 1323
terms or conditions of a registration certificate issued under 1324
division (E) of section 1509.222 of the Revised Code shall be 1325
fined ten thousand dollars or imprisoned for six months, or both 1326
for a first offense; for each subsequent offense the person 1327
shall be fined twenty thousand dollars or imprisoned for two 1328
years, or both. Whoever negligently violates those divisions, 1329
sections, rules, orders, or terms or conditions of a 1330
registration certificate shall be fined not more than five 1331
thousand dollars. 1332

(D) Whoever violates division (C) of section 1509.223 of 1333
the Revised Code shall be fined not more than five hundred 1334
dollars for a first offense and not more than one thousand 1335
dollars for a subsequent offense. 1336

(E) Whoever negligently violates section 1509.051, 1337
division (B) of section 1509.21, or division (C)(1) of section 1338
1509.22 of the Revised Code shall be fined not less than one 1339
hundred nor more than one thousand dollars for a first offense; 1340
for each subsequent offense the person shall be fined not less 1341
than two hundred nor more than two thousand dollars. 1342

(F) The prosecuting attorney of the county in which the 1343
offense was committed or the attorney general may prosecute an 1344
action under this section. 1345

~~(F)~~ (G) For purposes of this section, each day of 1346
violation constitutes a separate offense. 1347

Section 2. That existing sections 1509.01, 1509.02, 1348
1509.03, 1509.05, 1509.06, 1509.08, 1509.21, 1509.22, 1509.222, 1349

1509.223, 1509.224, and 1509.99 of the Revised Code are hereby
repealed.

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Section 3. That section 1509.226 of the Revised Code is
hereby repealed.

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