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136th General Assembly

Regular Session

2025-2026

Sub. S. B. No. 219

To amend sections 155.33, 155.34, 1503.35, 1509.01, 1
1509.02, 1509.03, 1509.06, 1509.07, 1509.071, 2
1509.13, 1509.22, 1509.221, 1509.23, 1509.28, 3
1509.31, 1509.36, 1509.38, 2305.041, 5577.02, 4
and 5727.02 and to enact sections 131.52 and 5
1509.075 of the Revised Code and to amend 6
Section 343.30 of H.B. 96 of the 136th General 7
Assembly to make changes to the law governing 8
oil and gas wells and to address federal mineral 9
royalty payments. 10

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

Section 1. That sections 155.33, 155.34, 1503.35, 1509.01, 11
1509.02, 1509.03, 1509.06, 1509.07, 1509.071, 1509.13, 1509.22, 12
1509.221, 1509.23, 1509.28, 1509.31, 1509.36, 1509.38, 2305.041, 13
5577.02, and 5727.02 be amended and sections 131.52 and 1509.075 14
of the Revised Code be enacted to read as follows: 15

Sec. 131.52. (A) As used in this section: 16

(1) "Federal mineral royalty" means the state of Ohio's 17
share of payments received under 30 U.S.C. 191 from oil, gas, or 18
other mineral production on federal lands within this state, 19



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<u>including national forest system lands.</u>	20
<u>(2) "County of origin" means the county where a wellhead</u>	21
<u>or mine is located to which a federal mineral royalty is</u>	22
<u>attributable.</u>	23
<u>(B) The treasurer of state shall deposit all federal</u>	24
<u>mineral royalties received from the United States department of</u>	25
<u>the interior's office of natural resources revenue into the</u>	26
<u>federal mineral royalty clearing fund, which is hereby</u>	27
<u>established and shall be in the custody of the treasurer of</u>	28
<u>state but shall not be part of the state treasury. Within thirty</u>	29
<u>days after each deposit, the director of the office of budget</u>	30
<u>and management shall transfer from the fund to each county of</u>	31
<u>origin an amount equal to the royalty payments attributable to</u>	32
<u>that county.</u>	33
<u>(C) Money received by a county under division (B) of this</u>	34
<u>section may be appropriated by the board of county commissioners</u>	35
<u>solely for one of the following purposes:</u>	36
<u>(1) Planning;</u>	37
<u>(2) Construction and maintenance of public facilities;</u>	38
<u>(3) Provision of public services.</u>	39
Sec. 155.33. (A) (1) Beginning on April 7, 2023, and ending	40
on the effective date of the rules adopted under section 155.34	41
of the Revised Code, a state agency shall lease, in good faith,	42
a formation within a parcel of land that is owned or controlled	43
by the state agency for the exploration for and development and	44
production of oil or natural gas. The lease shall be on terms	45
that are just and reasonable, as determined by custom and	46
practice in the oil and gas industry, and shall include at least	47
the terms required under divisions (A) (1) (a) to (d) division (A)	48

of section 155.34 of the Revised Code as that division existed 49
prior to the effective date of this amendment. The person 50
seeking to lease the formation shall submit to the state agency 51
the proof described in divisions (D) (5) (a) and (b) of this 52
section before entering into the lease. On and after the 53
effective date of the rules adopted under section 155.34 of the 54
Revised Code, a formation within a parcel of land that is owned 55
or controlled by a state agency may be leased for the 56
exploration for and development and production of oil or natural 57
gas only in accordance with divisions (A) (2) to (H) of this 58
section and those rules. 59

(2) On and after the effective date of rules adopted under 60
section 155.34 of the Revised Code, any person or state agency 61
that is interested in leasing a formation within a parcel of 62
land that is owned or controlled by a state agency for the 63
exploration for and the development and production of oil or 64
natural gas may submit to the oil and gas land management 65
commission a nomination that shall include all of the following: 66

(a) The name of the person making the nomination and the 67
person's address, telephone number, and email address; 68

(b) An identification of the formation and parcel of land 69
proposed to be leased that specifies all of the following: 70

(i) The percentage of the interest owned or controlled by 71
the state agency, and whether that interest is divided, 72
undivided, or partial; 73

(ii) The source deed by book and page numbers, including 74
the description and acreage of the parcel and an identification 75
of the county, section, township, and range in which the parcel 76
is located; 77

(iii) A plat map depicting the area in which the parcel is located.	78 79
(c) If the person making the nomination is not a state agency, a nomination fee of one hundred fifty dollars;	80 81
(d) The proposed lease bonus that applies to the nomination and any additional proposed gross landowner royalty that applies to the nomination that is in addition to the amount required under division (A) (1) (b) of section 155.34 of the Revised Code;	82 83 84 85 86
(e) If the person making the nomination is not a state agency, proof of both of the following:	87 88
(i) That the person has obtained the insurance and financial assurance required under section 1509.07 of the Revised Code;	89 90 91
(ii) That the person has registered with and obtained an identification number from the division of oil and gas resources management under section 1509.31 of the Revised Code.	92 93 94
(3) In order to encourage the submission of nominations and the responsible and reasonable development of the state's natural resources, only the information submitted under division (A) (2) (b) of this section may be disclosed to the public until a person is selected under division (F) of this section. Until a person is selected under division (F) of this section, all other information submitted under division (A) (2) of this section is confidential, shall not be disclosed by the commission, and is not a public record subject to inspection or copying under section 149.43 of the Revised Code.	95 96 97 98 99 100 101 102 103 104
(4) When a nomination is not submitted by a state agency, the nomination is the opening bid for purposes of division (D)	105 106

of this section. However, the person submitting the nomination
may supplement or amend that bid by providing additional
information in accordance with that division.

(B) (1) ~~Not less than thirty days, but not more than one~~
~~hundred twenty days following the receipt of a nomination, the~~
The commission shall conduct a meeting one or more meetings for
the purpose of determining whether to approve or disapprove the
nomination for the purpose of leasing a formation within the
parcel of land that is identified in the nomination.

In making its decision to approve or disapprove the
nomination, the commission shall consider all of the following:

(a) The economic benefits, including the potential income
from an oil or natural gas operation, that would result if the
lease of a formation that is the subject of the nomination were
approved;

(b) Whether the proposed oil or gas operation is
compatible with the current uses of the parcel of land that is
the subject of the nomination;

(c) The environmental impact that would result if the
lease of a formation that is the subject of the nomination were
approved;

(d) Any potential adverse geological impact that would
result if the lease of a formation that is the subject of the
nomination were approved;

(e) Any potential impact to visitors or users of a parcel
of land that is the subject of the nomination;

(f) Any potential impact to the operations or equipment of
a state agency that is a state university or college if the

lease of a formation within a parcel of land owned or controlled 135
by the university or college that is the subject of the 136
nomination were executed; 137

(g) Any comments or objections to the nomination submitted 138
to the commission by the state agency that owns or controls the 139
parcel of land on which the proposed oil or natural gas 140
operation would take place; 141

(h) Any comments or objections to the nomination submitted 142
to the commission by residents of this state or other users of 143
the parcel of land that is the subject of the nomination; 144

(i) Any special terms and conditions the state agency 145
included in its comments or objections that the state agency 146
believes are appropriate for the lease of the parcel of land 147
because of specific conditions related to that parcel of land. 148

(2) The commission shall approve or disapprove a 149
nomination not later than ~~two calendar quarters~~ ninety days 150
following the receipt of the nomination. The commission shall 151
post notice of the commission's decision on the commission's web 152
site and send notice of the decision by email and by certified 153
mail to the person that submitted the nomination and to the 154
state agency that owns or controls the formation within the 155
parcel of land that is the subject of the nomination. 156

(C) ~~Each calendar quarter, the~~ The commission shall 157
proceed to advertise for bids for a lease for a formation within 158
a parcel of land that was the subject of a nomination approved 159
~~during the previous calendar quarter~~ by the commission. The 160
commission shall publish the advertisement on its web site for a 161
period of time established by the commission. The advertisement 162
shall include all of the following: 163

- (1) An identification of each formation and parcel of land proposed to be leased that includes all of the information specified in division (A) (2) (b) of this section; 164
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- (2) The deadline for the submission of bids; 167
- (3) A statement that each bid must contain all of the items required under division (D) of this section; 168
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- (4) A statement that a standard lease form that is consistent with the practices of the oil and natural gas industries and adopted by rule by the commission will be used for the lease of a formation within the parcel of land; 170
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- (5) Any special terms and conditions that may apply to the lease because of specific conditions related to the parcel of land; 174
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- (6) The amount of the bid fee that is required to be submitted with a bid; 177
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- (7) Any other information that the commission considers pertinent to the advertisement for bids. 179
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(D) A person interested in leasing a formation within a parcel of land owned or controlled by a state agency for the exploration for and development and production of oil or natural gas may submit a bid to the commission on a parcel by parcel basis that contains all of the following: 181
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- (1) A bid fee of twenty-five dollars; 186
- (2) The name of the person making the bid and the person's address, telephone number, and email address; 187
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- (3) An identification of the formation and parcel of land for which the bid is being submitted, including all of the 189
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information specified in division (A) (2) (b) of this section; 191

(4) The proposed lease bonus that applies to the bid and 192
any additional proposed gross landowner royalty that applies to 193
the bid and any additional proposed gross landowner royalty that 194
applies to the bid that is in addition to the amount required 195
under division (A) (1) (b) of section 155.34 of the Revised Code; 196

(5) Proof of both of the following: 197

(a) That the person has obtained the insurance and 198
financial assurance required under section 1509.07 of the 199
Revised Code; 200

(b) That the person has registered with and obtained an 201
identification number from the division of oil and gas resources 202
management under section 1509.31 of the Revised Code. 203

(6) Any other information that the person believes is 204
relevant to the bid. 205

(E) In order to encourage the submission of bids and the 206
responsible and reasonable development of the state's natural 207
resources, the information that is contained in a bid submitted 208
to the commission under this section is confidential, shall not 209
be disclosed by the commission, and is not a public record 210
subject to inspection and copying under section 149.43 of the 211
Revised Code until a person is selected under division (F) of 212
this section. 213

The Not later than sixty days following a nomination's 214
approval, the commission shall select the person who submits the 215
highest and best bid, taking into account the financial 216
responsibility of the prospective lessee and the ability of the 217
prospective lessee to perform its obligations under the lease. 218
After the commission selects a person, the commission shall 219

notify the applicable state agency and send the person's bid to
the agency. The state agency shall enter into a lease with the
person selected by the commission. The state agency shall fully
execute the lease and deliver it to the selected person not
later than thirty days after the commission selects such person.

(G) (1) Except as otherwise provided in section 155.37 of
the Revised Code, all money received by a state agency from
signing fees, rentals, and royalty payments for leases entered
into under this section shall be paid by the state agency into
the state treasury to the credit of the state land royalty fund
created in section 131.50 of the Revised Code.

(2) All money received from nomination fees and bid fees
shall be paid into the state treasury to the credit of the oil
and gas land management commission administration fund created
in section 155.35 of the Revised Code.

(H) Notwithstanding any other provision of this section to
the contrary, a nature preserve as defined in section 1517.01 of
the Revised Code that is owned or controlled by a state agency
shall not be nominated or leased under this section for the
purpose of exploring for and developing and producing oil and
natural gas resources.

(I) Except as otherwise provided in this chapter, the
commission and any state agency shall not require as part of a
bid or lease either of the following:

(1) Any royalty payment in excess of the amount specified
in division (A)(1)(b) of section 155.34 of the Revised Code;

(2) Any additional payment that the commission or agency
is not specifically authorized or required to charge under this
section.

Sec. 155.34. (A) Not later than one hundred twenty days	249
after September 30, 2021, the <u>The</u> oil and gas land management	250
commission shall adopt rules in accordance with Chapter 119. of	251
the Revised Code establishing both of the following:	252
(1) A standard lease form that shall be used by a state	253
agency for leases entered into under this chapter, is consistent	254
with the practices of the oil and natural gas industries, and	255
contains all of the following:	256
(a) A prohibition against the use of the surface of the	257
parcel of land for oil and gas development unless the state	258
agency, in its sole discretion, chooses to negotiate and execute	259
a written surface use agreement established under this section;	260
(b) A one-eighth gross landowner royalty;	261
(c) <u>A shut-in royalty provision;</u>	262
(d) <u>A primary term of five years;</u>	263
(e) An option for the lessee to extend the primary term	264
of the lease for an additional three <u>five</u> years by tendering to	265
the state agency the same bonus paid when first entering into	266
the lease.;	267
(f) <u>A provision that states: "Notwithstanding any other</u>	268
<u>provision of this Lease to the contrary, Lessee is entitled to</u>	269
<u>pay any advanced delay rentals/bonus amounts owed under this</u>	270
<u>Lease within sixty (60) calendar days after Lessee receives a</u>	271
<u>copy of this Lease executed by Lessor."</u>	272
(g) <u>A provision that states: "Notwithstanding any other</u>	273
<u>provision of this Lease to the contrary, in the event that a</u>	274
<u>parcel subject to this Lease was acquired or improved through,</u>	275
<u>or is otherwise encumbered by, a federal grant program, the</u>	276

Primary Term of the Lease shall be tolled until the requirements 277
of the program, and any related grant documents, have been fully 278
satisfied by Lessor and Lessor notifies Lessee in writing of 279
same." 280

(h) A provision that states: "Notwithstanding any other 281
provision of this Lease to the contrary, in the event that a 282
parcel subject to this Lease was acquired or improved through, 283
or is otherwise encumbered by, a federal grant program, Lessee 284
may defer payment of all sums otherwise due and owing under this 285
Lease until the requirements of the program, and any related 286
grant documents, have been fully satisfied by Lessor and Lessor 287
notifies Lessee in writing of same." 288

(i) A provision that states: "Notwithstanding any other 289
provision of this Lease to the contrary, in the event that 290
litigation of any kind or character is filed by a third party 291
that may adversely impact Lessee's ability to conduct operations 292
under the Lease, including an appeal before a court or the oil 293
and gas commission, the Primary Term of the Lease shall be 294
tolled until such time as there is a final, nonappealable order 295
entered in such litigation." 296

(j) A provision that states: "Notwithstanding any other 297
provision of this Lease to the contrary, in the event that 298
litigation of any kind or character is filed by a third party 299
that may adversely impact Lessee's ability to conduct operations 300
under the Lease, including an appeal before a court or the oil 301
and gas commission, Lessee may defer payment of all sums 302
otherwise due and owing under this Lease until a final, 303
nonappealable order is entered in such litigation." 304

(2) Any other procedures necessary to implement sections 305
155.30 to 155.36 of the Revised Code, subject to division (I) of 306

section 155.33 of the Revised Code. 307

(B) ~~Not later than one hundred twenty days after September 30, 2021, the~~ The commission shall establish a standard surface use agreement that a state agency shall use to authorize the use of the surface of a leased parcel of land. 308
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(C) Section 121.95 of the Revised Code does not apply to rules adopted under this section and the commission is not subject to any requirements of that section. 312
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Sec. 1503.35. ~~The~~ (A) Except as provided in division (B) 315
of this section, the director of natural resources shall 316
distribute money received by the state pursuant to 16 U.S.C. 500 317
from the sale of national forest timber and other national 318
forest products to the applicable county or counties in which 319
the national forest is situated. Money received by a county 320
under this section shall be used by a county as follows: 321

(A)(1) Fifty per cent shall be used to maintain county 322
roads and bridges; 323

(B)(2) Fifty per cent shall be used for the benefit of 324
public schools. 325

(B) A federal mineral royalty, as defined in section 326
131.52 of the Revised Code, is not a forest product subject to 327
distribution under this section. Any federal mineral royalty 328
received by the state shall be deposited in accordance with that 329
section. 330

Sec. 1509.01. As used in this chapter: 331

(A) "Well" means any borehole, whether drilled or bored, 332
within the state for production, extraction, or injection of any 333
gas or liquid mineral, excluding potable water to be used as 334

such, but including natural or artificial brines and oil field waters. "Well" includes a stratigraphic well.	335 336
(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.	337 338 339 340 341
(C) "Gas" means all natural gas and all other fluid hydrocarbons that are not oil, including condensate.	342 343
(D) "Condensate" means liquid hydrocarbons separated at or near the well pad or along the gas production or gathering system prior to gas processing.	344 345 346
(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.	347 348 349 350 351
(F) "Field" means the general area underlaid by one or more pools.	352 353
(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 and does not apply to a stratigraphic well.	354 355 356 357
(H) "Waste" includes all of the following:	358
(1) Physical waste, as that term generally is understood in the oil and gas industry;	359 360
(2) Inefficient, excessive, or improper use, or the unnecessary dissipation, of reservoir energy;	361 362

(3) Inefficient storing of oil or gas;	363
(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 and proper operations from the pool into which it is drilled or that causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas;	364 365 366 367 368 369
(5) Other underground or surface waste in the production or storage of oil, gas, or condensate, however caused.	370 371
(I) "Correlative rights" means the reasonable opportunity to every person entitled thereto to recover and receive the oil and gas in and under the person's tract or tracts, or the equivalent thereof, without having to drill unnecessary wells or incur other unnecessary expense.	372 373 374 375 376
(J) "Tract" means a single, individual parcel of land or a portion of a single, individual parcel of land.	377 378
(K) (1) "Owner," unless referring to a mine <u>or except as</u> <u>provided in division (K) (2) of this section</u> , means the person who has the right to drill on a tract or drilling unit, to drill into and produce from a pool, and to appropriate the oil or gas produced therefrom either for the person or for others, except that a person ceases to be an owner with respect to a well when the well has been plugged in accordance with applicable rules adopted and orders issued under this chapter. " <u>Owner</u> "	379 380 381 382 383 384 385 386
(2) "Owner," for purposes of obtaining a permit under <u>section 1509.06 of the Revised Code</u> , means each person having the right to drill on a tract or drilling unit, to drill into and produce from a pool, and to appropriate the oil and gas produced therefrom either for the person or for others, except	387 388 389 390 391

that a person ceases to be an owner with respect to a well when 392
the well has been plugged in accordance with applicable rules 393
adopted and orders issued under this chapter. 394

(3) "Owner" does not include a person who obtains a lease 395
of the mineral rights for oil and gas on a parcel of land if the 396
person does not attempt to produce or produce oil or gas from a 397
well or obtain a permit under this chapter for a well or if the 398
entire interest of a well is transferred to the person in 399
accordance with division (B) of section 1509.31 of the Revised 400
Code. 401

(L) "Royalty interest" means the fee holder's share in the 402
production from a well, except a stratigraphic well. 403

(M) "Discovery well" means the first well, except a 404
stratigraphic well, capable of producing oil or gas in 405
commercial quantities from a pool. 406

(N) "Prepared clay" means a clay that is plastic and is 407
thoroughly saturated with fresh water to a weight and 408
consistency great enough to settle through saltwater in the well 409
in which it is to be used, except as otherwise approved by the 410
chief of the division of oil and gas resources management. 411

(O) "Rock sediment" means the combined cutting and residue 412
from drilling sedimentary rocks and formation. 413

(P) "Excavations and workings," "mine," and "pillar" have 414
the same meanings as in section 1561.01 of the Revised Code. 415

(Q) "Coal bearing township" means a township designated as 416
such by the chief of the division of mineral resources 417
management under section 1561.06 of the Revised Code. 418

(R) "Gas storage reservoir" means a continuous area of a 419

subterranean porous sand or rock stratum or strata into which 420
gas is or may be injected for the purpose of storing it therein 421
and removing it therefrom and includes a gas storage reservoir 422
as defined in section 1571.01 of the Revised Code. 423

(S) "Safe Drinking Water Act" means the "Safe Drinking 424
Water Act," 88 Stat. 1661 (1974), 42 U.S.C.A. 300(f), as amended 425
by the "Safe Drinking Water Amendments of 1977," 91 Stat. 1393, 426
42 U.S.C.A. 300(f), the "Safe Drinking Water Act Amendments of 427
1986," 100 Stat. 642, 42 U.S.C.A. 300(f), and the "Safe Drinking 428
Water Act Amendments of 1996," 110 Stat. 1613, 42 U.S.C.A. 429
300(f), and regulations adopted under those acts. 430

(T) "Person" includes any political subdivision, 431
department, agency, or instrumentality of this state; the United 432
States and any department, agency, or instrumentality thereof; 433
any legal entity defined as a person under section 1.59 of the 434
Revised Code; and any other form of business organization or 435
entity recognized by the laws of this state. 436

(U) "Brine" means all saline geological formation water 437
resulting from, obtained from, or produced in connection with 438
exploration, drilling, well stimulation, production of oil or 439
gas, or plugging of a well. 440

(V) "Waters of the state" means all streams, lakes, ponds, 441
marshes, watercourses, waterways, springs, irrigation systems, 442
drainage systems, and other bodies of water, surface or 443
underground, natural or artificial, that are situated wholly or 444
partially within this state or within its jurisdiction, except 445
those private waters that do not combine or effect a junction 446
with natural surface or underground waters. 447

(W) "Exempt Mississippian well" means a well that meets 448

all of the following criteria:	449
(1) Was drilled and completed before January 1, 1980;	450
(2) Is located in an unglaciated part of the state;	451
(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;	452 453 454 455 456
(4) Is used primarily to provide oil or gas for domestic use.	457 458
(X) "Exempt domestic well" means a well that meets all of the following criteria:	459 460
(1) Is owned by the owner of the surface estate of the tract on which the well is located;	461 462
(2) Is used primarily to provide gas for the owner's domestic use;	463 464
(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;	465 466 467 468
(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.	469 470 471 472 473
(Y) "Urbanized area" means an area where a well or production facilities of a well are located within a municipal	474 475

corporation or within a township that has an unincorporated 476
population of more than five thousand in the most recent federal 477
decennial census prior to the issuance of the permit for the 478
well or production facilities. 479

(Z) "Well stimulation" or "stimulation of a well" means 480
the process of enhancing well productivity, including hydraulic 481
fracturing operations. 482

(AA) "Production operation" means all operations and 483
activities and all related equipment, facilities, and other 484
structures that may be used in or associated with the 485
exploration and production of oil, gas, or other mineral 486
resources that are regulated under this chapter, including 487
operations and activities associated with site preparation, site 488
construction, access road construction, well drilling, well 489
completion, well stimulation, well site activities, reclamation, 490
and plugging. "Production operation" also includes all of the 491
following: 492

(1) The piping, equipment, and facilities used for the 493
production and preparation of hydrocarbon gas or liquids for 494
transportation or delivery; 495

(2) The processes of extraction and recovery, lifting, 496
stabilization, treatment, separation, production processing, 497
storage, waste disposal, and measurement of hydrocarbon gas and 498
liquids, including related equipment and facilities; 499

(3) The processes and related equipment and facilities 500
associated with production compression, gas lift, gas injection, 501
fuel gas supply, well drilling, well stimulation, and well 502
completion activities, including dikes, pits, and earthen and 503
other impoundments used for the temporary storage of fluids and 504

waste substances associated with well drilling, well	505
stimulation, and well completion activities;	506
(4) Equipment and facilities at a wellpad or other	507
location that are used for the transportation, handling,	508
recycling, temporary storage, management, processing, or	509
treatment of any equipment, material, and by-products or other	510
substances from an operation at a wellpad that may be used or	511
reused at the same or another operation at a wellpad or that	512
will be disposed of in accordance with applicable laws and rules	513
adopted under them.	514
(BB) "Annular overpressurization" means the accumulation	515
of fluids within an annulus with sufficient pressure to allow	516
migration of annular fluids into underground sources of drinking	517
water.	518
(CC) "Orphaned well" means a well that has not been	519
properly plugged or its land surface restored in accordance with	520
this chapter and the rules adopted under it to which either of	521
the following apply:	522
(1) The owner of the well is unknown, deceased, or cannot	523
be located and the well is abandoned.	524
(2) The owner of the well has abandoned the well and there	525
is no money available to plug the well in accordance with this	526
chapter and the rules adopted under it.	527
(DD) "Temporarily inactive well" means a well that has	528
been granted temporary inactive status under section 1509.062 of	529
the Revised Code.	530
(EE) "Material and substantial violation" means any of the	531
following:	532

(1) Failure to obtain a permit to drill, reopen, convert, plugback, or plug a well under this chapter;	533 534
(2) Failure to obtain, maintain, update, or submit proof of insurance coverage that is required under this chapter;	535 536
(3) Failure to obtain, maintain, update, or submit proof of a surety bond that is required under this chapter;	537 538
(4) Failure to restore a disturbed land surface as required by section 1509.072 of the Revised Code;	539 540
(5) Failure to reimburse the oil and gas well fund pursuant to a final order issued under section 1509.071 of the Revised Code;	541 542 543
(6) Failure to comply with a final nonappealable order of the chief issued under section 1509.04 of the Revised Code;	544 545
(7) Failure to submit a report, test result, fee, or document that is required in this chapter or rules adopted under it.	546 547 548
(FF) "Severer" has the same meaning as in section 5749.01 of the Revised Code.	549 550
(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.	551 552 553 554
"Horizontal well" does not include a stratigraphic well.	555
(HH) "Well pad" means the area that is cleared or prepared for the drilling of one or more horizontal wells.	556 557
(II) "Stratigraphic well" means a borehole that is drilled within the state on a tract solely to conduct research or	558 559

testing of the subsurface geology, including porosity and 560
permeability. "Stratigraphic well" does not include geotechnical 561
or soil borings or a borehole drilled for seismic shot or mining 562
of industrial minerals or coal. 563

Sec. 1509.02. There is hereby created in the department of 564
natural resources the division of oil and gas resources 565
management, which shall be administered by the chief of the 566
division of oil and gas resources management. The division has 567
sole and exclusive authority to regulate the permitting, 568
location, and spacing of oil and gas wells and production 569
operations within the state, excepting only those activities 570
regulated under federal laws for which oversight has been 571
delegated to the environmental protection agency and activities 572
regulated under sections 6111.02 to 6111.028 of the Revised 573
Code. The division's sole and exclusive authority includes the 574
authority to regulate any portion of an oil and gas well located 575
in this state, regardless of whether any other portion of that 576
oil and gas well is located outside of this state. The 577
regulation of oil and gas activities is a matter of general 578
statewide interest that requires uniform statewide regulation, 579
and this chapter and rules adopted under it constitute a 580
comprehensive plan with respect to all aspects of the locating, 581
drilling, well stimulation, completing, and operating of oil and 582
gas wells within this state, including site construction and 583
restoration, permitting related to those activities, and the 584
disposal of wastes from those wells. In order to assist the 585
division in the furtherance of its sole and exclusive authority 586
as established in this section, the chief may enter into 587
cooperative agreements with other state agencies for advice and 588
consultation, including visitations at the surface location of a 589
well on behalf of the division. In cases in which a well is 590

located both in this state and another state, the chief also may 591
enter into a memorandum of understanding with an agency of 592
another state for purposes of the interstate well. Such 593
cooperative agreements and memorandums of understanding do not 594
confer on other state agencies or entities any authority to 595
administer or enforce this chapter and rules adopted under it. 596
In addition, such cooperative agreements and memorandums of 597
understanding shall not be construed to dilute or diminish the 598
division's sole and exclusive authority as established in this 599
section. Nothing in this section affects the authority granted 600
to the director of transportation and local authorities in 601
section 723.01 or 4513.34 of the Revised Code, provided that the 602
authority granted under those sections shall not be exercised in 603
a manner that discriminates against, unfairly impedes, or 604
obstructs oil and gas activities and operations regulated under 605
this chapter. 606

The chief shall not hold any other public office, nor 607
shall the chief be engaged in any occupation or business that 608
might interfere with or be inconsistent with the duties as 609
chief. 610

Money collected by the chief pursuant to sections 1509.06, 611
1509.061, 1509.062, 1509.071, 1509.13, 1509.22, 1509.222, 612
1509.28, 1509.34, 1509.50, and 5749.02 of the Revised Code, all 613
money from the sale of carbon credits, all civil penalties paid 614
under section 1509.33 of the Revised Code, and, notwithstanding 615
any section of the Revised Code relating to the distribution or 616
crediting of fines for violations of the Revised Code, all fines 617
imposed under divisions (A) and (B) of section 1509.99 of the 618
Revised Code and fines imposed under divisions (C) and (D) of 619
section 1509.99 of the Revised Code for all violations 620
prosecuted by the attorney general and for violations prosecuted 621

by prosecuting attorneys that do not involve the transportation 622
of brine by vehicle shall be deposited into the state treasury 623
to the credit of the oil and gas well fund, which is hereby 624
created. Fines imposed under divisions (C) and (D) of section 625
1509.99 of the Revised Code for violations prosecuted by 626
prosecuting attorneys that involve the transportation of brine 627
by vehicle and penalties associated with a compliance agreement 628
entered into pursuant to this chapter shall be paid to the 629
county treasury of the county where the violation occurred. 630

The fund shall be used solely and exclusively for the 631
purposes enumerated in division (B) of section 1509.071 of the 632
Revised Code, payments to the oil and gas resolution and 633
remediation fund created in section 1509.075 of the Revised 634
Code, for the expenses of the division associated with the 635
administration of this chapter and Chapter 1571. of the Revised 636
Code and rules adopted under them, and for expenses that are 637
critical and necessary for the protection of human health and 638
safety and the environment related to oil and gas production in 639
this state. The expenses of the division in excess of the moneys 640
available in the fund shall be paid from general revenue fund 641
appropriations to the department. 642

Sec. 1509.03. (A) The chief of the division of oil and gas 643
resources management shall adopt, rescind, and amend, in 644
accordance with Chapter 119. of the Revised Code, rules for the 645
administration, implementation, and enforcement of this chapter. 646
The rules shall include an identification of the subjects that 647
the chief shall address when attaching terms and conditions to a 648
permit with respect to a well and production facilities of a 649
well that are located within an urbanized area or with respect 650
to a horizontal well and production facilities associated with a 651
horizontal well. The subjects shall include all of the 652

following: 653

- (1) Safety concerning the drilling or operation of a well; 654
- (2) Protection of the public and private water supply, 655
including the amount of water used and the source or sources of 656
the water; 657
- (3) Fencing and screening of surface facilities of a well; 658
- (4) Containment and disposal of drilling and production 659
wastes; 660
- (5) Construction of access roads for purposes of the 661
drilling and operation of a well; 662
- (6) Noise mitigation for purposes of the drilling of a 663
well and the operation of a well, excluding safety and 664
maintenance operations. 665

No person shall violate any rule of the chief adopted 666
under this chapter. 667

(B) (1) Any order issuing, denying, or modifying a permit 668
or notices required to be made by the chief pursuant to this 669
chapter shall be made in compliance with Chapter 119. of the 670
Revised Code, except that personal service may be used in lieu 671
of service by mail. Every order issuing, denying, or modifying a 672
permit under this chapter and described as such shall be 673
considered an adjudication order for purposes of Chapter 119. of 674
the Revised Code. Division (B) (1) of this section does not apply 675
to a permit issued under section 1509.06 of the Revised Code. 676
does not apply to orders made by or notices required to be made 677
by the chief pursuant to this chapter or rules adopted under it. 678

(2) Where notice to any person is required by this 679
chapter, the notice shall be given in order to meet the 680

~~requirements of law~~ The chief shall adopt rules in accordance
with Chapter 119. of the Revised Code establishing both of the
following:

(a) Procedures for notice required to be provided to any
person under this chapter and rules adopted under it;

(b) Procedures for serving the chief's orders and
compliance notices.

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

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

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

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 any portion of a well located in this state, regardless of whether any other portion of that well is located outside of this state, and 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.

(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;

(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;	741 742 743
(5) Designation of the well by name and number;	744
(6) (a) The geological formation to be tested or used and the proposed total depth of the well;	745 746
(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.	747 748 749
(7) The type of drilling equipment to be used;	750
(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.	751 752 753 754 755 756 757 758 759 760 761 762 763 764
(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	765 766 767 768 769

list that identifies the location of each water well where the 770
owner of the property on which the water well is located denied 771
the owner access to sample the water well. The sampling shall be 772
conducted in accordance with the guidelines established in "Best 773
Management Practices For Pre-drilling Water Sampling" in effect 774
at the time that the application is submitted. The division 775
shall furnish those guidelines upon request and shall make them 776
available on the division's web site. If the chief determines 777
that conditions at the proposed well site warrant a revision, 778
the chief may revise the distance established in this division 779
for purposes of pre-drilling water sampling. 780

(c) For an application for a permit to drill a new 781
horizontal well, the results of sampling of water wells within 782
one thousand five hundred feet of the proposed horizontal 783
wellhead prior to commencement of drilling. In addition, the 784
owner shall include a list that identifies the location of each 785
water well where the owner of the property on which the water 786
well is located denied the owner access to sample the water 787
well. The sampling shall be conducted in accordance with the 788
guidelines established in "Best Management Practices For Pre- 789
drilling Water Sampling" in effect at the time that the 790
application is submitted. The division shall furnish those 791
guidelines upon request and shall make them available on the 792
division's web site. If the chief determines that conditions at 793
the proposed well site warrant a revision, the chief may revise 794
the distance established in this division for purposes of pre- 795
drilling water sampling. 796

(9) For an application for a permit to drill a new well 797
within an urbanized area, a sworn statement that the applicant 798
has provided notice by regular mail of the application to the 799
owner of each parcel of real property that is located within 800

five hundred feet of the surface location of the well and to the
executive authority of the municipal corporation or the board of
township trustees of the township, as applicable, in which the
well is to be located. In addition, the notice shall contain a
statement that informs an owner of real property who is required
to receive the notice under division (A)(9) of this section that
within five days of receipt of the notice, the owner is required
to provide notice under section 1509.60 of the Revised Code to
each residence in an occupied dwelling that is located on the
owner's parcel of real property. The notice shall contain a
statement that an application has been filed with the division
of oil and gas resources management, identify the name of the
applicant and the proposed well location, include the name and
address of the division, and contain a statement that comments
regarding the application may be sent to the division. The
notice may be provided by hand delivery or regular mail. The
identity of the owners of parcels of real property shall be
determined using the tax records of the municipal corporation or
county in which a parcel of real property is located as of the
date of the notice.

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

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

(b) For an application for a permit for a horizontal well,

a copy of an agreement concerning maintenance and safe use of
the roads, streets, and highways described in division (A) (11) 831
832
(a) of this section entered into on reasonable terms with the 833
public official that has the legal authority to enter into such 834
maintenance and use agreements for each county, township, and 835
municipal corporation, as applicable, in which any such road, 836
street, or highway is located or an affidavit on a form 837
prescribed by the chief attesting that the owner attempted in 838
good faith to enter into an agreement under division (A) (11) (b) 839
of this section with the applicable public official of each such 840
county, township, or municipal corporation, but that no 841
agreement was executed. 842

(c) An agreement described in division (A) (11) (b) of this 843
section that is entered into on or after the effective date of 844
this amendment shall be on terms expressly agreed upon by the 845
parties and shall expire not later than three years after the 846
agreement is executed. Such an agreement may be renewed by the 847
parties for up to three years and may be subsequently renewed 848
indefinitely, but each such renewal shall be for a term not to 849
exceed three years. 850

(12) Such other relevant information as the chief 851
prescribes by rule. 852

Each application shall be accompanied by a map, on a scale 853
not smaller than four hundred feet to the inch, prepared by an 854
Ohio registered surveyor, showing the location of the well and 855
containing such other data as may be prescribed by the chief. If 856
the well is or is to be located within the excavations and 857
workings of a mine, the map also shall include the location of 858
the mine, the name of the mine, and the name of the person 859
operating the mine. 860

(B) The chief shall cause a copy of the weekly circular prepared by the division to be provided to the county engineer of each county that contains active or proposed drilling activity. The weekly circular shall contain, in the manner prescribed by the chief, the names of all applicants for permits, the location of each well or proposed well, the information required by division (A)(11) of this section, and any additional information the chief prescribes. In addition, the chief promptly shall transfer an electronic copy, or if that method is not available to a municipal corporation or township, a copy via regular mail, of a drilling permit application to the clerk of the legislative authority of the municipal corporation or to the clerk of the township in which the well or proposed well is or is to be located if the legislative authority of the municipal corporation or the board of township trustees has asked to receive copies of such applications and the appropriate clerk has provided the chief an accurate, current electronic mailing address.

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

(2) If the location of a well or proposed well will be or is within an urbanized area, the chief shall not issue a permit for at least eighteen days after the date of filing of the application for the permit unless, upon reasonable cause shown, the chief waives that period or the chief at the chief's

discretion grants a request for an expedited review. However, 892
the chief shall issue a permit for a well or proposed well 893
within an urbanized area within thirty days of the filing of the 894
application unless the chief denies the application by order. 895

~~(D) An~~ (D) (1) Except as provided in division (D) (3) of 896
this section, an applicant may file a request with the chief for 897
expedited review of a permit application if the well is not or 898
is not to be located in a gas storage reservoir or reservoir 899
protective area, as "reservoir protective area" is defined in 900
section 1571.01 of the Revised Code. If the well is or is to be 901
located in a coal bearing township, the application shall be 902
accompanied by the affidavit of the landowner prescribed in 903
section 1509.08 of the Revised Code. 904

(2) In addition to a complete application for a permit 905
that meets the requirements of this section and the permit fee 906
prescribed by this section, a request for expedited review shall 907
be accompanied by a separate nonrefundable filing fee of two 908
hundred fifty dollars. Upon the filing of a request for 909
expedited review, the chief shall cause the county engineer of 910
the county in which the well is or is to be located to be 911
notified of the filing of the permit application and the request 912
for expedited review by telephone or other means that in the 913
judgment of the chief will provide timely notice of the 914
application and request. The chief shall issue a permit within 915
seven days of the filing of the request unless the chief denies 916
the application by order. ~~Notwithstanding the provisions of this~~ 917
~~section governing expedited review of permit applications, the~~ 918
~~chief may refuse to accept requests for expedited review if, in~~ 919
~~the chief's judgment, the acceptance of the requests would~~ 920
~~prevent the issuance, within twenty-one days of their filing, of~~ 921
~~permits for which applications are pending.~~ 922

<u>(3) No owner shall apply for an expedited permit under</u>	923
<u>this section more than ten times within a calendar year.</u>	924
<u>Accordingly, the chief shall not issue more than ten expedited</u>	925
<u>permits to an owner within a calendar year. However, if an</u>	926
<u>emergency requires that an expedited permit be issued, as</u>	927
<u>determined by the chief, an owner that is otherwise prohibited</u>	928
<u>from obtaining an expedited permit under this division may apply</u>	929
<u>for an expedited permit and the chief may so issue it.</u>	930
<u>(E) A well shall be drilled and operated in accordance</u>	931
<u>with the plans, sworn statements, and other information</u>	932
<u>submitted in the approved application.</u>	933
<u>(F) The chief shall issue an order denying a permit if the</u>	934
<u>chief finds that there is a substantial risk that the operation</u>	935
<u>will result in violations of this chapter or rules adopted under</u>	936
<u>it that will present an imminent danger to public health or</u>	937
<u>safety or damage to the environment, provided that where the</u>	938
<u>chief finds that terms or conditions to the permit can</u>	939
<u>reasonably be expected to prevent such violations, the chief</u>	940
<u>shall issue the permit subject to those terms or conditions,</u>	941
<u>including, if applicable, terms and conditions regarding</u>	942
<u>subjects identified in rules adopted under section 1509.03 of</u>	943
<u>the Revised Code. The issuance of a permit shall not be</u>	944
<u>considered an order of the chief.</u>	945
<u>The chief shall post notice of each permit that has been</u>	946
<u>approved under this section on the division's web site not later</u>	947
<u>than two business days after the application for a permit has</u>	948
<u>been approved.</u>	949
<u>(G) Each application for a permit required by section</u>	950
<u>1509.05 of the Revised Code, except an application for a well</u>	951
<u>drilled or reopened for purposes of section 1509.22 of the</u>	952

Revised Code, also shall be accompanied by a nonrefundable fee 953
as follows: 954

 (1) Five hundred dollars for a permit to conduct 955
activities in a township with a population of fewer than ten 956
thousand; 957

 (2) Seven hundred fifty dollars for a permit to conduct 958
activities in a township with a population of ten thousand or 959
more, but fewer than fifteen thousand; 960

 (3) One thousand dollars for a permit to conduct 961
activities in either of the following: 962

 (a) A township with a population of fifteen thousand or 963
more; 964

 (b) A municipal corporation regardless of population. 965

 (4) If the application is for a permit that requires 966
mandatory pooling, an additional five thousand dollars. 967

For purposes of calculating fee amounts, populations shall 968
be determined using the most recent federal decennial census. 969

Each application for the revision or reissuance of a 970
permit shall be accompanied by a nonrefundable fee of two 971
hundred fifty dollars. 972

(H) (1) Prior to the commencement of well pad construction 973
and prior to the issuance of a permit to drill a proposed 974
horizontal well or a proposed well that is to be located in an 975
urbanized area, the division shall conduct a site review to 976
identify and evaluate any site-specific terms and conditions 977
that may be attached to the permit. At the site review, a 978
representative of the division shall consider fencing, 979
screening, and landscaping requirements, if any, for similar 980

structures in the community in which the well is proposed to be
located. The terms and conditions that are attached to the
permit shall include the establishment of fencing, screening,
and landscaping requirements for the surface facilities of the
proposed well, including a tank battery of the well.

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

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

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

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

Sec. 1509.07. (A) (1) (a) Except as provided in division (A)
(1) (b) or (A) (2) of this section, an owner of any well, except

an exempt Mississippian well or an exempt domestic well, shall 1010
obtain liability insurance coverage from a company authorized or 1011
approved to do business in this state in an amount of not less 1012
than one million dollars bodily injury coverage and property 1013
damage coverage to pay damages for injury to persons or damage 1014
to property caused by the drilling, operation, or plugging of 1015
all the owner's wells in this state. However, if any well is 1016
located within an urbanized area, the owner shall obtain 1017
liability insurance coverage in an amount of not less than three 1018
million dollars for bodily injury coverage and property damage 1019
coverage to pay damages for injury to persons or damage to 1020
property caused by the drilling, operation, or plugging of all 1021
of the owner's wells in this state. 1022

(b) A board of county commissioners of a county that is an 1023
owner of a well or a board of township trustees of a township 1024
that is an owner of a well may elect to satisfy the liability 1025
coverage requirements specified in division (A) (1) (a) of this 1026
section by participating in a joint self-insurance pool in 1027
accordance with the requirements established under section 1028
2744.081 of the Revised Code. Nothing in division (A) (1) (b) of 1029
this section shall be construed to allow an entity, other than a 1030
county or township, to participate in a joint self-insurance 1031
pool to satisfy the liability coverage requirements specified in 1032
division (A) (1) (a) of this section. 1033

(2) An owner of a horizontal well shall obtain liability 1034
insurance coverage from an insurer authorized to write such 1035
insurance in this state or from an insurer approved to write 1036
such insurance in this state under section 3905.33 of the 1037
Revised Code in an amount of not less than five million dollars 1038
bodily injury coverage and property damage coverage to pay 1039
damages for injury to persons or damage to property caused by 1040

the production operations of all the owner's wells in this 1041
state. The insurance policy shall include a reasonable level of 1042
coverage available for an environmental endorsement. 1043

(3) An owner shall maintain the coverage required under 1044
division (A) (1) or (2) of this section until all the owner's 1045
wells are plugged and abandoned or are transferred to an owner 1046
who has obtained insurance as required under this section and 1047
who is not under a notice of material and substantial violation 1048
or under a suspension order. The owner shall provide proof of 1049
liability insurance coverage to the chief of the division of oil 1050
and gas resources management upon request. Upon failure of the 1051
owner to provide that proof when requested, the chief may order 1052
the suspension of any outstanding permits and operations of the 1053
owner until the owner provides proof of the required insurance 1054
coverage. 1055

(B) (1) Except as otherwise provided in this section, an 1056
owner of any well, before being issued a permit under section 1057
1509.06 of the Revised Code or before operating or producing 1058
from a well, shall execute and file with the division of oil and 1059
gas resources management a surety bond conditioned on compliance 1060
with the restoration requirements of section 1509.072, the 1061
plugging requirements of section 1509.12, the permit provisions 1062
of section 1509.13 of the Revised Code, and all rules and orders 1063
of the chief relating thereto, in an amount set by rule of the 1064
chief. 1065

(2) The owner may deposit with the chief, instead of a 1066
surety bond, cash in an amount equal to the surety bond as 1067
prescribed pursuant to this section or negotiable certificates 1068
of deposit or irrevocable letters of credit, issued by any bank 1069
organized or transacting business in this state, having a cash 1070

value equal to or greater than the amount of the surety bond as
prescribed pursuant to this section. Cash or certificates of
deposit shall be deposited upon the same terms as those upon
which surety bonds may be deposited. If the owner deposits cash,
the cash shall be credited to the performance cash bond refunds
fund created in section 1501.16 of the Revised Code. If the
owner deposits certificates of deposit, the chief shall require
the bank that issued any such certificate to pledge securities
of a cash value equal to the amount of the certificate that is
in excess of the amount insured by the federal deposit insurance
corporation. The securities shall be security for the repayment
of the certificate of deposit.

Upon a deposit of cash, certificates of deposit, or
letters of credit with the chief, the chief shall hold them in
trust for the purposes for which they have been deposited.

(3) ~~Instead of a surety bond, the chief may accept proof
of financial responsibility consisting of a sworn financial
statement showing a net financial worth within this state equal
to twice the amount of the bond for which it substitutes and, as
may be required by the chief, a list of producing properties of
the owner within this state or other evidence showing ability
and intent to comply with the law and rules concerning
restoration and plugging that may be required by rule of the
chief. The owner of an exempt Mississippian well is not required
to file scheduled updates of the financial documents, but shall
file updates of those documents if requested to do so by the
chief. The owner of a nonexempt Mississippian well shall file
updates of the financial documents in accordance with a schedule
established by rule of the chief. The chief, upon determining
that an owner for whom the chief has accepted proof of financial
responsibility instead of bond cannot demonstrate financial~~

~~responsibility, shall order that the owner execute and file a bond or deposit cash, certificates of deposit, or irrevocable letters of credit as required by this section for the wells specified in the order within ten days of receipt of the order. If the order is not complied with, all wells of the owner that are specified in the order and for which no bond is filed or cash, certificates of deposit, or letters of credit are deposited shall be plugged. No owner shall fail or refuse to plug such a well. Each day on which such a well remains unplugged thereafter constitutes a separate offense.~~

(4) The surety bond provided for in this section shall be executed by a surety company authorized to do business in this state.

The chief shall not approve any bond until it is personally signed and acknowledged by both principal and surety, or as to either by the principal's or surety's attorney in fact, with a certified copy of the power of attorney attached thereto. The chief shall not approve a bond unless there is attached a certificate of the superintendent of insurance that the company is authorized to transact a fidelity and surety business in this state.

All bonds shall be given in a form to be prescribed by the chief and shall run to the state as obligee.

(5)(4) An owner of an exempt Mississippian well or an exempt domestic well, in lieu of filing a surety bond, cash in an amount equal to the surety bond, certificates of deposit, or irrevocable letters of credit, ~~or a sworn financial statement~~, may file a one-time fee of fifty dollars, which shall be deposited in the oil and gas ~~well plugging resolution and~~ remediation fund created in section ~~1509.071-1509.075~~ of the

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Revised Code.	1132
(C) An owner, operator, producer, or other person shall not operate a well or produce from a well at any time if the owner, operator, producer, or other person has not satisfied the requirements established in this section.	1133 1134 1135 1136
Sec. 1509.071. (A) When the chief of the division of oil and gas resources management finds that an owner has failed to comply with a final nonappealable order issued or compliance agreement entered into under section 1509.04, the restoration requirements of section 1509.072, plugging requirements of section 1509.12, or permit provisions of section 1509.13 of the Revised Code, or rules and orders relating thereto, the chief shall make a finding of that fact and declare any surety bond filed to ensure compliance with those sections and rules forfeited in the amount set by rule of the chief. The chief thereupon shall certify the total forfeiture to the attorney general, who shall proceed to collect the amount of the forfeiture. In addition, the chief may require an owner, operator, producer, or other person who forfeited a surety bond to post a new surety bond in the amount of fifteen thousand dollars for a single well, thirty thousand dollars for two wells, or fifty thousand dollars for three or more wells.	1137 1138 1139 1140 1141 1142 1143 1144 1145 1146 1147 1148 1149 1150 1151 1152 1153
In lieu of total forfeiture, the surety or owner, at the surety's or owner's option, may cause the well to be properly plugged and abandoned and the area properly restored or pay to the treasurer of state the cost of plugging and abandonment.	1154 1155 1156 1157
(B) (1) All moneys collected because of forfeitures of bonds as provided in this section shall be deposited in the state treasury to the credit of the oil and gas well fund created in section 1509.02 of the Revised Code.	1158 1159 1160 1161

For purposes of promoting the competent management and 1162
conservation of the state's oil and natural gas resources and 1163
the proper and lawful plugging of historic oil and gas wells for 1164
which there is no known responsible owner, the chief annually 1165
shall spend not less than thirty per cent of the revenue 1166
credited to the oil and gas well fund during the previous fiscal 1167
year for both of the following purposes: 1168

(a) In accordance with division (E) of this section, to 1169
plug orphaned wells or to restore the land surface properly as 1170
required in section 1509.072 of the Revised Code; 1171

(b) In accordance with division (F) of this section, to 1172
correct conditions that the chief reasonably has determined are 1173
causing imminent health or safety risks at an orphaned well or 1174
associated with a well for which the owner has not initiated a 1175
corrective action within a reasonable period of time as 1176
determined by the chief after the chief has attempted to notify 1177
the owner. 1178

(2) Expenditures from the oil and gas well fund and the 1179
oil and gas resolution and remediation fund shall be made only 1180
for lawful purposes. ~~In addition~~Except as otherwise provided in 1181
divisions (B) (2) and (D) of section 1509.075 of the Revised 1182
Code, expenditures from the fund ~~those funds~~ shall not be made 1183
to purchase real property or to remove a structure in order to 1184
access a well. 1185

~~The director of budget and management, in consultation~~ 1186
~~with the chief, shall establish an accounting code for purposes~~ 1187
~~of tracking expenditures made as required under this division.~~ 1188

(C) (1) If a landowner discovers a well on the landowner's 1189
real property and the landowner is not the owner of the well, 1190

the landowner may report the existence of the well in writing to 1191
the chief. 1192

(2) If the chief receives a written report from a 1193
landowner of the discovery of a well previously unknown to the 1194
division, the chief shall inspect the well not later than thirty 1195
days after the date of receipt of the landowner's report. 1196

(3) The chief shall establish a scoring matrix for use in 1197
determining the priority of plugging wells or restoring land 1198
surfaces at orphaned well sites for purposes of this section. 1199
The matrix shall include a classification system that 1200
categorizes orphaned wells as high priority, medium priority, 1201
and low priority. However, when determining the priority of 1202
plugging wells or restoring land surfaces at orphaned well 1203
sites, the chief shall ensure that first priority is given to 1204
orphaned wells located in close proximity, as determined by the 1205
chief, to one or more active wells. 1206

(4) The chief shall use the matrix developed under 1207
division (C) (3) of this section to prioritize plugging and land 1208
restoration projects under this section. The chief may add 1209
additional orphaned wells to a project regardless of 1210
classification. 1211

(D) (1) After ~~Except as provided in~~ division (E) (2) (a) of 1212
this section, after ~~determining that a well is an orphaned well,~~ 1213
the chief shall do all of the following: 1214

(a) Make a reasonable attempt to determine from the 1215
records in the office of the county recorder of the county in 1216
which the well is located the identity of the current owner of 1217
the land on which the well is located, the identity of each 1218
person owning a right or interest in the oil or gas mineral 1219

interests, and the identities of the persons having a lien upon
any of the equipment appurtenant to the well. For purposes of
division (D) (1) (a) of this section, the chief is not required to
review records in the office of the county recorder that are
older than forty years from the date on which the chief made the
determination that the well is an orphaned well. 1220
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(b) Mail notice to each person identified in division (D)
(1) (a) of this section; 1226
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(c) Include in the notice to each person having a lien
upon any equipment appurtenant to the well, a statement
informing the person that the well is to be plugged and offering
the person the opportunity to remove that equipment from the
well site at the person's own expense in order to avoid
forfeiture of the equipment to this state; 1228
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(d) Publish notice in a newspaper of general circulation
in the county where the well is located that the well is to be
plugged or post the notice on the department of natural
resources web site. 1234
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(2) If the current address of a person identified in
division (D) (1) (a) of this section cannot be determined, or if a
notice provided by mail to a person under division (D) (1) (b) of
this section is returned undeliverable, the notice published
under division (D) (1) (d) of this section constitutes sufficient
notice to the person. 1238
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(3) If none of the persons described in division (D) (1) (a)
of this section removes equipment from the well within thirty
days after the mailing of the notice or publication or posting
of notice described in division (D) (1) (d) of this section,
whichever is later, all equipment appurtenant to the well is 1244
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hereby declared to be forfeited to this state without 1249
compensation and without the necessity for any action by the 1250
state for use to defray the cost of plugging the well and 1251
restoring the land surface at the well site. 1252

(E) The chief may expend money from the oil and gas well 1253
fund and the oil and gas resolution and remediation fund for the 1254
purpose of division (B) (1) (a) of this section, and such 1255
expenditures shall be made in accordance with either of the 1256
following: 1257

(1) The chief may make expenditures pursuant to contracts 1258
entered into by either the chief or another agency of the state 1259
with persons who agree to furnish the materials, equipment, 1260
work, and labor as specified and provided in such a contract for 1261
activities associated with the restoration or plugging of an 1262
orphaned well as determined by the chief. If another agency of 1263
the state enters into the contract, the chief shall prepare the 1264
scope of work for the restoration or plugging of the well. The 1265
activities may include excavation to uncover a well, methods to 1266
locate a well, analyzing the well, stabilizing or other work 1267
conducted prior to plugging the well, drilling out or cleanout 1268
of wellbores to remove material from a well, plugging 1269
operations, installation of vault and vent systems, including 1270
associated engineering certifications and permits, removal of 1271
associated equipment, restoration of property, replugging of 1272
previously plugged orphaned wells or wells for which final 1273
restoration was completed under section 1509.072 of the Revised 1274
Code and rules adopted under it, and repair of damage to 1275
property that is caused by such activities. The chief may make 1276
expenditures for salaries, maintenance, equipment, or other 1277
administrative purposes, for costs directly attributed to 1278
locating, analyzing, stabilizing, designing, plugging, 1279

remediating, or restoring an orphaned well, and for determining 1280
if a well is an orphaned well. 1281

Agents or employees of persons contracting with the chief 1282
to locate, analyze, stabilize, design, plug, remediate, or 1283
restore a well may enter upon any land, public or private, on 1284
which the well is located, or on adjacent parcels needed for 1285
access, for the purpose of performing the work. Prior to such 1286
entry, the chief shall give to the following persons written 1287
notice of the existence of a contract to locate, analyze, 1288
stabilize, design, plug, remediate, or restore a well, the names 1289
of the persons with whom the contract is made, and the date that 1290
the project will commence: the owner of the well, the owner of 1291
the land upon which the well is located, the owner of the land 1292
of an adjacent parcel that will be entered upon, and, if the 1293
well is located in the same township as or in a township 1294
adjacent to the excavations and workings of a mine and the owner 1295
or lessee of that mine has provided written notice identifying 1296
those townships to the chief at any time during the immediately 1297
preceding three years, the owner or lessee of the mine. The 1298
chief may include in the notice to the owner or lessee of the 1299
mine additional information, such as authorization to plug an 1300
orphaned well under section 1509.151 of the Revised Code. 1301

(2) (a) The owner of the land on which at least one 1302
orphaned well is located who either discovers the orphaned well 1303
or who has received notice under division (D) (1) (b) of this 1304
section may plug any such orphaned well and be reimbursed by the 1305
division of oil and gas resources management for the reasonable 1306
cost of plugging such wells. In order to plug the orphaned 1307
wells, the landowner shall submit an application to the chief on 1308
a form prescribed by the chief and approved by the technical 1309
advisory council on oil and gas created in section 1509.38 of 1310

the Revised Code. The application, at a minimum, shall require
the landowner to provide the same information as is required to
be included in the application for a permit to plug and abandon
under section 1509.13 of the Revised Code.

The application shall be accompanied by a copy of a
proposed contract to plug and abandon the orphaned wells
prepared by a contractor regularly engaged in the business of
plugging oil and gas wells. The proposed contract shall require
the contractor to furnish all of the materials, equipment, work,
and labor necessary to plug the orphaned wells properly and
restore the site including the removal of all associated
equipment and shall specify the price for doing the work. The
contractor shall be insured in the same amounts required of the
contractor when completing work pursuant to contracts entered
into under division (E) (1) of this section. The application
shall document how the contractor intends to comply with all
applicable rules, codes, and laws governing human health,
safety, and the environment.

In the case of a landowner who discovers one or more
orphaned wells on the land, the chief need not fulfill the
notice requirements specified in division (D) (1) of this
section, except the chief shall publish notice in a newspaper of
general circulation in the county where the well is located that
the well is to be plugged or post the notice on the department
of natural resources web site.

Expenditures made under division (E) (2) (a) of this section
shall be consistent with the expenditures for activities
described in division (E) (1) of this section. In addition,
expenditures made under division (E) (2) of this section are not
subject to section 127.16 of the Revised Code. The application

constitutes an application for a permit to plug the well for the 1341
purposes of section 1509.13 of the Revised Code. 1342

(b) Within thirty days after receiving an application and 1343
accompanying proposed contract under division (E) (2) (a) of this 1344
section, the chief shall determine whether the plugging would 1345
comply with the applicable requirements of this chapter and 1346
applicable rules adopted and orders issued under it and whether 1347
the cost of the plugging under the proposed contract is 1348
reasonable. If the chief determines that the proposed plugging 1349
would comply with those requirements and that the proposed cost 1350
of the plugging is reasonable, the chief shall notify the 1351
landowner of that determination and issue to the landowner a 1352
permit to plug the well under section 1509.13 of the Revised 1353
Code. The chief may disapprove an application submitted under 1354
division (E) (2) (a) of this section if the chief determines that 1355
the proposed plugging would not comply with the applicable 1356
requirements of this chapter and applicable rules adopted and 1357
orders issued under it, that the cost of the plugging under the 1358
proposed contract is unreasonable, or that the proposed contract 1359
is not a bona fide, arm's length contract. 1360

(c) After receiving the chief's notice of the approval of 1361
the application and permit to plug and abandon a well under 1362
division (E) (2) (b) of this section, the landowner may enter into 1363
the proposed contract to plug the well. 1364

(d) Upon determining that the plugging has been completed 1365
in compliance with the applicable requirements of this chapter 1366
and applicable rules adopted and orders issued under it, the 1367
chief shall pay the contractor for the cost of the plugging and 1368
restoration as set forth in the proposed contract approved by 1369
the chief and changes or costs approved by the chief. The 1370

payment shall be paid from the oil and gas well fund or the oil and gas resolution and remediation fund. The chief shall only make payments for purposes of division (E)(2) of this section pursuant to a proper invoice as defined under section 125.01 of the Revised Code.

(e) If the chief determines that the plugging was not completed in accordance with the applicable requirements, the chief shall not pay the contractor or landowner for the cost of the plugging.

(f) If any equipment was removed from the well during the plugging and sold, the chief shall deduct the sale amount of the equipment from the payment to the contractor.

(g) Changes made to a contract executed under division (E)(2) of this section due to unanticipated conditions may be presented to the chief in the form of a written request for approval of the additional costs prior to completion of the work. The chief shall determine if the changes are necessary to comply with this chapter and rules adopted and orders issued under it and if the cost of the changes are reasonable. The chief shall provide to the contractor a written decision regarding the proposed changes. If the chief determines that the changes are not necessary or that the costs are not reasonable, the chief may either deny the request or establish the amount of the cost that the chief approves. Work completed prior to receipt of written approval from the chief is not eligible for payment, unless waived by the chief.

(3) The chief may establish an annual limit on the number of wells that may be plugged under division (E)(2) of this section or an annual limit on the expenditures to be made under that division. The chief may reject an application submitted

under division (E) (2) of this section if the chief determines 1401
that the plugging of other wells take priority. 1402

(4) As used in division (E) (2) of this section, "plug" and 1403
"plugging" include the plugging of the well, replugging of a 1404
previously plugged orphaned well or a well for which final 1405
restoration was completed under section 1509.072 of the Revised 1406
Code and rules adopted under it, drilling out or cleanout of a 1407
well bore to remove material from a well, installation of 1408
casings, installation of a vault and vent, restoration, and the 1409
restoration of the land surface disturbed by the plugging. 1410

(F) (1) Expenditures from the oil and gas well fund or the 1411
oil and gas resolution and remediation fund for the purpose of 1412
division (B) (1) (b) of this section may be made pursuant to 1413
contracts entered into by either the chief or another agency of 1414
the state with persons who agree to furnish the materials, 1415
equipment, work, and labor as specified and provided in such a 1416
contract. The competitive bidding requirements of Chapter 153. 1417
of the Revised Code do not apply if the chief reasonably 1418
determines that a situation exists requiring immediate action 1419
for the correction of the applicable health or safety risk. A 1420
contract or purchase of materials for purposes of addressing the 1421
emergency situation is not subject to division (B) of section 1422
127.16 of the Revised Code. The chief, designated 1423
representatives of the chief, and agents or employees of persons 1424
contracting with the chief to locate, analyze, stabilize, 1425
design, plug, remediate, or restore a well under this division 1426
may enter upon any land, public or private, on which the well is 1427
located, or on parcels needed for access, for the purpose of 1428
performing the work. 1429

(2) The chief shall issue an order that requires the owner 1430

of a well to pay the actual documented costs of a corrective 1431
action that is described in division (B) (1) (b) of this section 1432
concerning the well. The chief shall transmit the money so 1433
recovered to the treasurer of state who shall deposit the money 1434
in the ~~state treasury to the credit of the oil and gas well~~ 1435
resolution and remediation fund. 1436

(G) Contracts entered into by either the chief or another 1437
agency of the state under this section are not subject to any of 1438
the following: 1439

- (1) Chapter 4115. of the Revised Code; 1440
- (2) Chapter 153. of the Revised Code; 1441
- (3) Section 4733.17 of the Revised Code. 1442

(H) The owner of land on which a well is located who has 1443
received notice under division (D) (1) (b) of this section, in 1444
lieu of plugging the well in accordance with division (E) (2) of 1445
this section, may cause ownership of the well to be transferred 1446
in accordance with section 1509.31 of the Revised Code. 1447

If a well is transferred, the owner to whom it is 1448
transferred shall comply with this chapter and rules adopted 1449
under it and shall take title to and possession of the equipment 1450
appurtenant to the well that has been identified by the chief as 1451
having been abandoned by the former owner of the well. 1452

(I) The chief may engage in cooperative projects under 1453
this section with any agency of this state, another state, or 1454
the United States; any other governmental agencies; any state 1455
university or college as defined in section 3345.27 of the 1456
Revised Code; or a nonprofit corporation that is exempt from 1457
federal income taxation under section 501(c)(3) of the "Internal 1458
Revenue Code of 1986," 26 U.S.C. 1, as amended. A contract 1459

entered into for purposes of a cooperative project is not	1460
subject to division (B) of section 127.16 of the Revised Code.	1461
(J) (1) On or before the close of each calendar quarter,	1462
the chief shall submit a written report to the technical	1463
advisory council established under section 1509.38 of the	1464
Revised Code describing the efforts of the division of oil and	1465
gas resources management to plug orphaned wells during the	1466
immediately preceding calendar quarter. The chief also shall	1467
include in the report all of the following information:	1468
(a) The total number of known orphaned wells in the state	1469
and the total number in each county of the state;	1470
(b) The total number of newly discovered orphaned wells	1471
during the immediately preceding calendar quarter;	1472
(c) The total number of wells plugged in accordance with	1473
this section during the immediately preceding calendar quarter;	1474
(d) The total number of wells plugged in accordance with	1475
this section and the estimated average and indirect costs of	1476
plugging activities conducted under this section prior to the	1477
date of the report;	1478
(e) The number of wells approved for plugging in	1479
accordance with this section and the estimated average and	1480
indirect costs of plugging activities conducted under this	1481
section during the immediately preceding calendar quarter.	1482
(2) Not later than the thirty-first day of March of each	1483
year, the chief and the technical advisory council shall jointly	1484
provide a report containing, at a minimum, the information	1485
required to be included in the quarterly reports during the	1486
previous one-year period to all of the following:	1487

(a) The speaker of the house of representatives;	1488
(b) The president of the senate;	1489
(c) The chair of the committee of the house of representatives responsible for energy and natural resources issues;	1490 1491 1492
(d) The chair of the committee of the senate responsible for energy and natural resources issues.	1493 1494
<u>(K) (1) Notwithstanding any section of the Revised Code to the contrary, the division of oil and gas resources management, on behalf of the state, shall own the right to carbon credits for any orphaned well plugged using state or federal money.</u>	1495 1496 1497 1498
<u>(2) The chief may enter into agreements to obtain or to sell carbon credits. The chief may use money from the sale of carbon credits for the purposes established in this section.</u>	1499 1500 1501
<u>Sec. 1509.075. (A) The oil and gas resolution and</u>	1502
<u>remediation fund is created in the state treasury. The fund shall consist of moneys transferred to it from the oil and gas well fund and any money deposited into it under sections 1509.07</u>	1503 1504 1505
<u>and 1509.071 of the Revised Code. Notwithstanding any provision of law to the contrary, at the beginning of each fiscal year, the treasurer of state shall transfer to the oil and gas</u>	1506 1507 1508
<u>resolution and remediation fund the amount of money in the oil and gas well fund that is in excess of the total amount</u>	1509 1510
<u>appropriated to the oil and gas well fund for that fiscal year.</u>	1511
<u>(B) (1) Money in the oil and gas resolution and remediation fund shall be used by the chief of the division of oil and gas resources management for the plugging of orphaned wells under this chapter.</u>	1512 1513 1514 1515

<u>(2) The chief may use money in the fund 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.</u>	1516
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<u>(3) The treasurer of state shall disburse moneys from the fund quarterly on order of the chief.</u>	1520
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<u>(C) The treasurer of state may invest any portion of the oil and gas resolution and remediation fund not needed for immediate use in the same manner as, and subject to all provisions of law with respect to the investment of, state funds.</u>	1522
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<u>(D) Interest earned on the fund shall be credited to the fund and reserved for use by the director of natural resources. The director may order the treasurer of state to disburse interest from the fund for any purpose of the department of natural resources, subject to the approval of the technical advisory council on oil and gas, as provided in section 1509.38 of the Revised Code. The director shall provide the treasurer of state with written notice of the council's approval before the treasurer of state may disburse money from the fund.</u>	1527
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<u>(E) Notwithstanding any other provision of law to the contrary, no money shall be transferred out of the fund by the director of budget and management or the controlling board to any other fund, including the general revenue fund. The fund shall not be used for any purpose not specified in law.</u>	1536
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Sec. 1509.13. (A) (1) Except as otherwise provided in division (A) (2) of this section and division (E) (1) of section 1509.071 of the Revised Code, no person shall plug and abandon a well without having a permit to do so issued by the chief of the	1541
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division of oil and gas resources management. The permit shall 1545
be issued by the chief in accordance with this chapter and shall 1546
be valid for a period of twenty-four months from the date of 1547
issue. 1548

(2) The holder of a valid permit issued under section 1549
1509.06 of the Revised Code may receive approval from an oil and 1550
gas resources inspector to plug and abandon the well associated 1551
with that permit, without obtaining the permit required under 1552
division (A) of this section, if either of the following apply: 1553

(a) The well was drilled to total depth and the well 1554
cannot or will not be completed. 1555

(b) The well is a lost hole or dry hole. 1556

(3) A permit holder plugging a well pursuant to division 1557
(A) (2) (a) of this section shall plug the well within thirty days 1558
of receipt of approval from the oil and gas resources inspector. 1559

(4) A permit holder plugging a well pursuant to division 1560
(A) (2) (b) of this section shall plug the well immediately after 1561
determining that the well is a lost hole or dry hole in 1562
accordance with rules adopted under this chapter. 1563

(B) The application for a permit to plug and abandon shall 1564
be filed as many days in advance as will be necessary for an oil 1565
and gas resources inspector or, if the well is located in a coal 1566
bearing township, both a deputy mine inspector and an oil and 1567
gas resources inspector to be present at the plugging. The 1568
application shall be filed with the chief upon a form that the 1569
chief prescribes and shall contain the following information: 1570

(1) The name and address of the applicant; 1571

(2) The signature of the applicant or the applicant's 1572

authorized agent. When an authorized agent signs an application, 1573
it shall be accompanied by a certified copy of the appointment 1574
as that agent. 1575

(3) The location of the well identified by section or lot 1576
number, city, village, township, and county; 1577

(4) Designation of well by name and number; 1578

(5) The total depth of the well to be plugged; 1579

(6) The date and amount of last production from the well; 1580

(7) Other information that the chief may require. 1581

(C) Unless waived by an oil and gas resources inspector, 1582
the owner of a well or the owner's authorized representative 1583
shall notify an oil and gas resources inspector at least twenty- 1584
four hours prior to the commencement of the plugging of a well. 1585
No well shall be plugged and abandoned without an oil and gas 1586
resources inspector present unless permission has been granted 1587
by the chief. The owner of a well that has produced oil or gas 1588
shall give written notice at the same time to the owner of the 1589
land upon which the well is located and to all lessors that 1590
receive gas from the well pursuant to an agreement. If the well 1591
penetrates or passes within one hundred feet of the excavations 1592
and workings of a mine, the owner of the well shall give written 1593
notice to the owner or lessee of that mine of the intention to 1594
abandon the well and of the time when the owner of the well will 1595
be prepared to commence plugging it. 1596

~~(D) (1) An applicant may file a request with the chief~~ 1597
~~for expedited review of an application for a permit to plug and~~ 1598
~~abandon a well. The chief may refuse to accept a request for~~ 1599
~~expedited review if, in the chief's judgment, acceptance of the~~ 1600
~~request will prevent the issuance, within twenty-one days of~~ 1601

~~filling, of permits for which applications filed under section 1509.06 of the Revised Code are pending.~~ In addition to a complete application for a permit that meets the requirements of this section, a request for expedited review shall be accompanied by a nonrefundable filing fee of five hundred dollars unless the chief has ordered the applicant to plug and abandon the well. When a request for expedited review is filed, the chief shall immediately begin to process the application and shall issue a permit within seven days of the filing of the request unless the chief, by order, denies the application.

(2) No owner shall apply for an expedited permit under this section more than ten times within a calendar year.
However, if an emergency requires that an expedited permit be issued, as determined by the chief, an owner that is otherwise prohibited from obtaining an expedited permit under this division may apply for an expedited permit and the chief may so issue it.

(E) (1) Except as otherwise provided in division (E) (2) of this section, any person undertaking the plugging of a well for which a permit has been issued under this section shall obtain insurance for bodily injury coverage and property damage coverage in the amount established under section 1509.07 of the Revised Code to pay for damages or injury to property or person, including damages caused by the plugging of the well. The person shall electronically submit proof of insurance to the chief upon the chief's request.

(2) Division (E) (1) of this section does not apply to a person already required to maintain an insurance policy under section 1509.07 of the Revised Code.

(F) This section does not apply to a well plugged or

abandoned in compliance with section 1571.05 of the Revised	1632
Code.	1633
Sec. 1509.22. (A) Except when acting in accordance with	1634
section 1509.226 of the Revised Code, no person shall place or	1635
cause to be placed in ground water or in or on the land or	1636
discharge or cause to be discharged in surface water brine,	1637
crude oil, natural gas, or other fluids associated with the	1638
exploration, development, well stimulation, production	1639
operations, or plugging of oil and gas resources that causes or	1640
could reasonably be anticipated to cause damage or injury to	1641
public health or safety or the environment.	1642
(B) (1) No person shall store or dispose of brine in	1643
violation of a plan approved under division (A) of section	1644
1509.222 or section 1509.226 of the Revised Code, in violation	1645
of a resolution submitted under section 1509.226 of the Revised	1646
Code, or in violation of rules or orders applicable to those	1647
plans or resolutions.	1648
(2) (a) On and after January 1, 2014, no person shall	1649
store, recycle, treat, process, or dispose of in this state	1650
brine or other waste substances associated with the exploration,	1651
development, well stimulation, production operations, or	1652
plugging of oil and gas resources without an order or a permit	1653
issued under this section or section 1509.06 or 1509.21 of the	1654
Revised Code or rules adopted under any of those sections. For	1655
purposes of division (B) (2) (a) of this section, a permit or	1656
other form of authorization issued by another agency of the	1657
state or a political subdivision of the state shall not be	1658
considered a permit or order issued by the chief of the division	1659
of oil and gas resources management under this chapter.	1660
(b) Division (B) (2) (a) of this section does not apply to a	1661

person that disposes of such waste substances other than brine 1662
in accordance with Chapter 3734. of the Revised Code and rules 1663
adopted under it. 1664

(C) The chief shall adopt rules regarding storage, 1665
recycling, treatment, processing, and disposal of brine and 1666
other waste substances. The rules shall establish procedures and 1667
requirements in accordance with which a person shall apply for a 1668
permit or order for the storage, recycling, treatment, 1669
processing, or disposal of brine and other waste substances that 1670
are not subject to a permit issued under section 1509.06 or 1671
1509.21 of the Revised Code and in accordance with which the 1672
chief may issue such a permit or order. An application for such 1673
a permit shall be accompanied by a nonrefundable fee of two 1674
thousand five hundred dollars. 1675

The storage, recycling, treatment, processing, and 1676
disposal of brine and other waste substances and the chief's 1677
rules relating to storage, recycling, treatment, processing, and 1678
disposal are subject to all of the following standards: 1679

(1) Brine from any well except an exempt Mississippian 1680
well shall be disposed of only as follows: 1681

(a) By injection into an underground formation, including 1682
annular disposal if approved by rule of the chief, which 1683
injection shall be subject to division (D) of this section; 1684

(b) By surface application in accordance with section 1685
1509.226 of the Revised Code; 1686

(c) In association with a method of enhanced recovery as 1687
provided in section 1509.21 of the Revised Code; 1688

(d) In any other manner not specified in divisions (C) (1) 1689
(a) to (c) of this section that is approved by a permit or order 1690

issued by the chief.	1691
(2) Brine from exempt Mississippian wells shall not be discharged directly into the waters of the state.	1692 1693
(3) Muds, cuttings, and other waste substances shall not be disposed of in violation of this chapter or any rule adopted under it.	1694 1695 1696
(4) 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.	1697 1698 1699 1700 1701 1702 1703
(5) 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.	1704 1705 1706 1707 1708
(6) 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.	1709 1710 1711 1712
(7) No pit or dike shall be used for the temporary storage of brine or other waste substances except in accordance with divisions (C) (4) and (5) of this section.	1713 1714 1715
(8) No pit or dike shall be used for the ultimate disposal of brine or other liquid waste substances.	1716 1717
(D) (1) No person, without first having obtained a permit	1718

from the chief, shall inject brine or other waste substances 1719
resulting from, obtained from, or produced in connection with 1720
oil or gas drilling, exploration, or production into an 1721
underground formation unless a rule of the chief expressly 1722
authorizes the injection without a permit. The permit shall be 1723
in addition to any permit required by section 1509.05 of the 1724
Revised Code, and the permit application shall be accompanied by 1725
a permit fee of one thousand dollars. The chief shall adopt 1726
rules in accordance with Chapter 119. of the Revised Code 1727
regarding the injection into wells of brine and other waste 1728
substances resulting from, obtained from, or produced in 1729
connection with oil or gas drilling, exploration, or production. 1730
The rules shall include provisions regarding all of the 1731
following: 1732

(a) Applications for and issuance of the permits required 1733
by this division; 1734

(b) Entry to conduct inspections and to examine and copy 1735
records to ascertain compliance with this division and rules, 1736
orders, and terms and conditions of permits adopted or issued 1737
under it; 1738

(c) The provision and maintenance of information through 1739
monitoring, recordkeeping, and reporting. In addition, the rules 1740
shall require the owner of an injection well who has been issued 1741
a permit under division (D) of this section to quarterly submit 1742
electronically to the chief information concerning each shipment 1743
of brine or other waste substances received by the owner for 1744
injection into the well. 1745

(d) The provision and electronic reporting quarterly of 1746
information concerning brine and other waste substances from a 1747
transporter that is registered under section 1509.222 of the 1748

Revised Code prior to the injection of the transported brine or
other waste substances; 1749
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(e) Any other provisions in furtherance of the goals of
this section and the Safe Drinking Water Act. 1751
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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 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 permit. In addition, the
chief may adopt rules that do both of the following: 1753
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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; 1760
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(b) Establish requirements and procedures to protect
public health and safety. 1762
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(3) To implement the goals of the Safe Drinking Water Act,
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 presence of the contaminant may result in the system's
not complying with any national primary drinking water
regulation or may otherwise adversely affect the health of
persons. 1764
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(4) The chief may issue an order to the owner of a well in
existence on September 10, 2012, to make changes in the 1776
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operation of the well in order to correct problems or to address 1778
safety concerns. 1779

(5) This division and rules, orders, and terms and 1780
conditions of permits adopted or issued under it shall be 1781
construed to be no more stringent than required for compliance 1782
with the Safe Drinking Water Act unless essential to ensure that 1783
underground sources of drinking water will not be endangered. 1784

(E) The owner holding a permit, or an assignee or 1785
transferee who has assumed the obligations and liabilities 1786
imposed by this chapter and any rules adopted or orders issued 1787
under it pursuant to section 1509.31 of the Revised Code, and 1788
the operator of a well shall be liable for a violation of this 1789
section or any rules adopted or orders or terms or conditions of 1790
a permit issued under it. 1791

(F) An owner shall replace the water supply of the holder 1792
of an interest in real property who obtains all or part of the 1793
holder's supply of water for domestic, agricultural, industrial, 1794
or other legitimate use from an underground or surface source 1795
where the supply has been substantially disrupted by 1796
contamination, diminution, or interruption proximately resulting 1797
from the owner's oil or gas operation, or the owner may elect to 1798
compensate the holder of the interest in real property for the 1799
difference between the fair market value of the interest before 1800
the damage occurred to the water supply and the fair market 1801
value after the damage occurred if the cost of replacing the 1802
water supply exceeds this difference in fair market values. 1803
However, during the pendency of any order issued under this 1804
division, the owner shall obtain for the holder or shall 1805
reimburse the holder for the reasonable cost of obtaining a 1806
water supply from the time of the contamination, diminution, or 1807

interruption by the operation until the owner has complied with 1808
an order of the chief for compliance with this division or such 1809
an order has been revoked or otherwise becomes not effective. If 1810
the owner elects to pay the difference in fair market values, 1811
but the owner and the holder have not agreed on the difference 1812
within thirty days after the chief issues an order for 1813
compliance with this division, within ten days after the 1814
expiration of that thirty-day period, the owner and the chief 1815
each shall appoint an appraiser to determine the difference in 1816
fair market values, except that the holder of the interest in 1817
real property may elect to appoint and compensate the holder's 1818
own appraiser, in which case the chief shall not appoint an 1819
appraiser. The two appraisers appointed shall appoint a third 1820
appraiser, and within thirty days after the appointment of the 1821
third appraiser, the three appraisers shall hold a hearing to 1822
determine the difference in fair market values. Within ten days 1823
after the hearing, the appraisers shall make their determination 1824
by majority vote and issue their final determination of the 1825
difference in fair market values. The chief shall accept a 1826
determination of the difference in fair market values made by 1827
agreement of the owner and holder or by appraisers under this 1828
division and shall make and dissolve orders accordingly. This 1829
division does not affect in any way the right of any person to 1830
enforce or protect, under applicable law, the person's interest 1831
in water resources affected by an oil or gas operation. 1832

(G) In any action brought by the state for a violation of 1833
division (A) of this section involving any well at which annular 1834
disposal is used, there shall be a rebuttable presumption 1835
available to the state that the annular disposal caused the 1836
violation if the well is located within a one-quarter-mile 1837
radius of the site of the violation. 1838

(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: 1839
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(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; 1842
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(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. 1848
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(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
fee shall be calculated first on all of the barrels of substance
that are not 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)(2) of this section. The fee 1854
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then shall be calculated on the barrels of substance that are 1869
produced within the division's regulatory district in which the 1870
well is located or within an adjoining district at the rate 1871
established in division (H)(1) of this section until the maximum 1872
number of barrels established in division (H)(2) of this section 1873
has been attained. 1874

(3) The owner of an injection well who is issued a permit 1875
under division (D) of this section shall collect the fee levied 1876
by division (H) of this section on behalf of the division of oil 1877
and gas resources management and forward the fee to the 1878
division. The chief shall transmit all money received under 1879
division (H) of this section to the treasurer of state who shall 1880
~~deposit the money in the state treasury to the credit of the oil~~ 1881
~~and gas well fund created in section 1509.02 of the Revised~~ 1882
~~Code~~disburse the money to the county treasurer of the county in 1883
which the injection well is located. If the injection well is 1884
located in more than one county, the treasurer of state shall 1885
disburse the money equally to the county treasurer of each such 1886
county. The county treasurer shall deposit such money in the 1887
county's general fund. The owner of an injection well who 1888
collects the fee levied by this division may retain up to three 1889
per cent of the amount that is collected. 1890

(4) The chief shall adopt rules in accordance with Chapter 1891
119. of the Revised Code establishing requirements and 1892
procedures for collection of the fee levied by division (H) of 1893
this section. 1894

Sec. 1509.221. (A) No person, without first having 1895
obtained a permit from the chief of the division of oil and gas 1896
resources management, shall drill a well or inject a substance 1897
into a well for the exploration for or extraction of minerals or 1898

energy, other than oil or natural gas, including, but not limited to, the mining of sulfur by the Frasch process, the solution mining of minerals, the in situ combustion of fossil fuel, or the recovery of geothermal energy to produce electric power, unless a rule of the chief expressly authorizes the activity without a permit. The permit shall be in addition to any permit required by section 1509.05 of the Revised Code. The chief shall adopt rules in accordance with Chapter 119. of the Revised Code governing the issuance of permits under this section. The rules shall include provisions regarding the matters the applicant for a permit shall demonstrate to establish eligibility for a permit; the form and content of applications for permits; the terms and conditions of permits; entry to conduct inspections and to examine and copy records to ascertain compliance with this section and rules, orders, and terms and conditions of permits adopted or issued thereunder; provision and maintenance of information through monitoring, recordkeeping, and reporting; and other provisions in furtherance of the goals of this section and the Safe Drinking Water Act. To implement the goals of the Safe Drinking Water Act, the chief shall not issue a permit under this section, unless the chief concludes that the applicant has demonstrated that the drilling, injection of a substance, and extraction of minerals or energy will not result in the presence of any contaminant in underground water that supplies or can reasonably be expected to supply any public water system, such that the presence of the contaminant may result in the system's not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons. The chief may issue, without a prior ~~adjudication~~ hearing, orders requiring compliance with this section and rules, orders, and terms and conditions of permits adopted or issued thereunder.

This section and rules, orders, and terms and conditions of permits adopted or issued thereunder shall be construed to be no more stringent than required for compliance with the Safe Drinking Water Act, unless essential to ensure that underground sources of drinking water will not be endangered. 1931
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(B) In an action under section 1509.04 or 1509.33 of the Revised Code to enforce this section, the court shall grant preliminary and permanent injunctive relief and impose a civil penalty upon the showing that the person against whom the action is brought has violated, is violating, or will violate this section or rules, orders, or terms or conditions of permits adopted or issued thereunder. The court shall not require, prior to granting such preliminary and permanent injunctive relief or imposing a civil penalty, proof that the violation was, is, or will be the result of intentional conduct or negligence. In any such action, any person may intervene as a plaintiff upon the demonstration that the person has an interest that is or may be adversely affected by the activity for which injunctive relief or a civil penalty is sought. 1936
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Sec. 1509.23. (A) Rules of the chief of the division of oil and gas resources management may specify practices to be followed in the drilling and treatment of wells, production of oil and gas, and plugging of wells for protection of public health or safety or to prevent damage to natural resources, including specification of the following: 1950
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(A)(1) Appropriate devices; 1956

(B)(2) Minimum distances that wells and other excavations, structures, and equipment shall be located from water wells, streets, roads, highways, rivers, lakes, streams, ponds, other bodies of water, railroad tracks, public or private recreational 1957
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areas, zoning districts, and buildings or other structures.	1961
Rules adopted under this division shall not conflict with	1962
section 1509.021 of the Revised Code.	1963
<u>(C)(3) Other methods of operation;</u>	1964
<u>(D)(4) Procedures, methods, and equipment and other</u>	1965
requirements for equipment to prevent and contain discharges of	1966
oil and brine from oil production facilities and oil drilling	1967
and workover facilities consistent with and equivalent in scope,	1968
content, and coverage to section 311(j)(1)(c) of the "Federal	1969
Water Pollution Control Act Amendments of 1972," 86 Stat. 886,	1970
33 U.S.C.A. 1251, as amended, and regulations adopted under it.	1971
In addition, the rules may specify procedures, methods, and	1972
equipment and other requirements for equipment to prevent and	1973
contain surface and subsurface discharges of fluids,	1974
condensates, and gases.	1975
<u>(E)(5) Notifications;</u>	1976
<u>(F)(6) Requirements governing the location and</u>	1977
construction of fresh water impoundments that are part of a	1978
production operation.	1979
<u>(B) The chief shall not require an owner of a well to</u>	1980
<u>cease producing from, or limit production from, the well in</u>	1981
<u>order to engage in simultaneous operations on a well pad.</u>	1982
Sec. 1509.28. (A)(1) A person who has obtained the consent	1983
of the owners of at least sixty-five per cent of the land area	1984
overlying a pool or a part of a pool may submit an application	1985
for the operation as a unit of the entire pool or part of the	1986
pool to the chief of the division of oil and gas resources	1987
management. In calculating the sixty-five per cent, an owner's	1988
entire interest in each tract in the proposed unit area,	1989

including any divided, undivided, partial, fee, or other
interest in the tract, shall be included to the fullest extent
of that interest. 1990
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(2) The chief may make a motion, without application, for
the operation as a unit of an entire pool or part of the pool. 1993
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(B) An applicant shall include with the application for
unit operation both of the following: 1995
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(1) A nonrefundable fee of ten thousand dollars; 1997

(2) Any additional information requested by the chief. 1998

(C) (1) The chief shall hold a hearing regarding an
application submitted under division (A) (1) of this section or
regarding the chief's motion made under division (A) (2) of this
section. Except as otherwise provided in division (C) (2) of this
section, the chief shall hold the hearing not more than sixty
days after the date the chief receives the application or makes
the motion, as applicable. 1999
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(2) If the chief determines that an application is
materially incomplete before the required hearing date, the
chief shall notify the applicant. The applicant shall respond to
the chief not later than three business days from receipt of the
notice to correct the application. If the applicant does not
timely correct the application, the chief may reschedule the
hearing date. 2006
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(3) At the hearing, the chief shall consider the need for
the operation as a unit of an entire pool or part thereof. 2013
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(D) The chief shall make an order providing for the unit
operation of a pool or part thereof if the chief finds that such
operation is reasonably necessary to increase substantially the
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ultimate recovery of oil and gas, and the value of the estimated additional recovery of oil or gas exceeds the estimated additional cost incident to conducting the operation. The chief shall issue the order not later than sixty days after the date of the hearing, unless the chief denies the application or motion by order within that sixty-day period. 2018
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(E) The order shall be upon terms and conditions that are just and reasonable and shall prescribe a plan for unit operations that shall include: 2024
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(1) A description of the unitized area, termed the unit area; 2027
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(2) A statement of the nature of the operations contemplated; 2029
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(3) An allocation to the separately owned tracts in the unit area of all the oil and gas that is produced from the unit area and is saved, being the production that is not used in the conduct of operations on the unit area or not unavoidably lost. The allocation shall be in accord with the agreement, if any, of the interested parties. If there is no such agreement, the chief shall determine the value, from the evidence introduced at the hearing, of each separately owned tract in the unit area, exclusive of physical equipment, for development of oil and gas by unit operations, and the production allocated to each tract shall be the proportion that the value of each tract so determined bears to the value of all tracts in the unit area. 2031
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(4) A provision for the credits and charges to be made in the adjustment among the owners in the unit area for their respective investments in wells, tanks, pumps, machinery, materials, and equipment contributed to the unit operations; 2043
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(5) A provision providing how the expenses of unit operations, including capital investment, shall be determined and charged to the separately owned tracts and how the expenses shall be paid; 2047
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(6) A provision, if necessary, for carrying or otherwise financing any person who is unable to meet the person's financial obligations in connection with the unit, allowing a reasonable interest charge for such service; 2051
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(7) A provision for the supervision and conduct of the unit operations, in respect to which each person shall have a vote with a value corresponding to the percentage of the expenses of unit operations chargeable against the interest of that person; 2055
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(8) The time when the unit operations shall commence, and the manner in which, and the circumstances under which, the unit operations shall terminate; 2060
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(9) Such additional provisions as are found to be appropriate for carrying on the unit operations, and for the protection or adjustment of correlative rights. 2063
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(F) No order of the chief providing for unit operations shall become effective unless and until the plan for unit operations prescribed by the chief has been approved in writing by those owners who, under the chief's order, will be required to pay at least sixty-five per cent of the costs of the unit operation, and also by the royalty or, with respect to unleased acreage, fee owners of sixty-five per cent of the acreage to be included in the unit. If the plan for unit operations has not been so approved by owners and royalty owners at the time the order providing for unit operations is made, the chief shall 2066
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upon application and notice hold such supplemental hearings as 2076
may be required to determine if and when the plan for unit 2077
operations has been so approved. If the owners and royalty 2078
owners, or either, owning the required percentage of interest in 2079
the unit area do not approve the plan for unit operations within 2080
a period of six months from the date on which the order 2081
providing for unit operations is made, the order shall cease to 2082
be of force and shall be revoked by the chief. 2083

(G) An order providing for unit operations may be amended 2084
by an order made by the chief, in the same manner and subject to 2085
the same conditions as an original order providing for unit 2086
operations, provided that: 2087

(1) If such an amendment affects only the rights and 2088
interests of the owners, the approval of the amendment by the 2089
royalty owners shall not be required. 2090

(2) No such order of amendment shall change the percentage 2091
for allocation of oil and gas as established for any separately 2092
owned tract by the original order, except with the consent of 2093
all persons owning interest in the tract. 2094

(H) The chief, by an order, may provide for the unit 2095
operation of a pool or a part thereof that embraces a unit area 2096
established by a previous order of the chief. Such an order, in 2097
providing for the allocation of unit production, shall first 2098
treat the unit area previously established as a single tract, 2099
and the portion of the unit production so allocated thereto 2100
shall then be allocated among the separately owned tracts 2101
included in the previously established unit area in the same 2102
proportions as those specified in the previous order. 2103

(I) Oil and gas allocated to a separately owned tract 2104

shall be deemed, for all purposes, to have been actually 2105
produced from the tract, and all operations, including, but not 2106
limited to, the commencement, drilling, operation of, or 2107
production from a well upon any portion of the unit area shall 2108
be deemed for all purposes the conduct of such operations and 2109
production from any lease or contract for lands any portion of 2110
which is included in the unit area. ~~The operations~~Operations 2111
conducted pursuant to the order of the chief shall constitute a 2112
fulfillment of all the express or implied ~~obligations~~terms of 2113
each lease or contract covering lands in the unit area and shall 2114
not be construed to be a breach of any such terms~~to the extent~~ 2115
~~that compliance with such obligations cannot be had because of~~ 2116
~~the order of the chief.~~ 2117

(J) Oil and gas allocated to any tract, and the proceeds 2118
from the sale thereof, shall be the property and income of the 2119
several persons to whom, or to whose credit, the same are 2120
allocated or payable under the order providing for unit 2121
operations. 2122

(K) No order of the chief or other contract relating to 2123
the sale or purchase of production from a separately owned tract 2124
shall be terminated by the order providing for unit operations, 2125
but shall remain in force and apply to oil and gas allocated to 2126
the tract until terminated in accordance with the provisions 2127
thereof. 2128

(L) Notwithstanding divisions (A) to (G) of section 155.33 2129
of the Revised Code and rules adopted under it, the chief shall 2130
issue an order for the unit operation of a pool or a part of a 2131
pool that encompasses a unit area for which all or a portion of 2132
the mineral rights are owned by the department of 2133
transportation. 2134

(M) Except to the extent that the parties affected so 2135
agree, no order providing for unit operations shall be construed 2136
to result in a transfer of all or any part of the title of any 2137
person to the oil and gas rights in any tract in the unit area. 2138
All property, whether real or personal, that may be acquired for 2139
the account of the owners within the unit area shall be the 2140
property of such owners in the proportion that the expenses of 2141
unit operations are charged. 2142

Sec. 1509.31. (A) (1) No person shall operate a well in 2143
this state unless the person first registers with and obtains an 2144
identification number from the chief of the division of oil and 2145
gas resources management. 2146

(2) Whenever the entire interest of an oil and gas lease 2147
is assigned or otherwise transferred, the assignor or transferor 2148
shall notify the holders of the royalty interests, and, if a 2149
well or wells exist on the lease, the division of oil and gas 2150
resources management, of the name and address of the assignee or 2151
transferee by certified mail, return receipt requested, not 2152
later than thirty days after the date of the assignment or 2153
transfer. When notice of any such assignment or transfer is 2154
required to be provided to the division, it shall be provided on 2155
a form prescribed and provided by the division and verified by 2156
both the assignor or transferor and by the assignee or 2157
transferee. The notice form applicable to assignments or 2158
transfers of a well to the owner of the surface estate of the 2159
tract on which the well is located shall contain a statement 2160
informing the landowner that the well may require periodic 2161
servicing to maintain its productivity; that, upon assignment or 2162
transfer of the well to the landowner, the landowner becomes 2163
responsible for compliance with the requirements of this chapter 2164
and rules adopted under it, including, without limitation, the 2165

proper disposal of brine obtained from the well, the plugging of
the well when it becomes incapable of producing oil or gas, and
the restoration of the well site; and that, upon assignment or
transfer of the well to the landowner, the landowner becomes
responsible for the costs of compliance with the requirements of
this chapter and rules adopted under it and the costs for
operating and servicing the well.

(3) Notwithstanding division (A) (2) of this section, the
assignee or transferee shall notify the division of oil and gas
resources management of the assignment or transfer if both of
the following apply:

(a) The assignor or transferor failed to notify the
division of the assignment or transfer as required by division
(A) (2) of this section;

(b) The assignor or transferor is deceased, dissolved,
cannot be located, or is otherwise incapable of complying with
the notification requirement.

The assignee or transferee shall notify the division of
the assignment or transfer on a form prescribed and provided by
the division. At a minimum, the form shall require the assignee
or transferee to attest that the assignee or transferee is the
owner. The division shall not charge a fee for such assignment
or transfer when notice is provided in accordance with division
(A) (3) of this section.

(B) When the entire interest of a well is proposed to be
assigned or otherwise transferred to the landowner for use as an
exempt domestic well, the owner who has been issued a permit
under this chapter for the well shall submit to the chief of the
division of oil and gas resources management an application for

the assignment or transfer that contains all documents that the 2195
chief requires. The application for such an assignment or 2196
transfer shall be prescribed and provided by the chief. The 2197
chief may approve the application if the application is 2198
accompanied by a release of all of the oil and gas leases that 2199
are included in the applicable formation of the drilling unit, 2200
the release is in a form such that the well ownership merges 2201
with the fee simple interest of the surface tract, and the 2202
release is in a form that may be recorded. However, if the owner 2203
of the well does not release the oil and gas leases associated 2204
with the well that is proposed to be assigned or otherwise 2205
transferred or if the fee simple tract that results from the 2206
merger of the well ownership with the fee simple interest of the 2207
surface tract is less than five acres, the proposed exempt 2208
domestic well owner shall post a five thousand dollar bond with 2209
the division prior to the assignment or transfer of the well to 2210
ensure that the well will be properly plugged. The chief, for 2211
good cause, may modify the requirements of this section 2212
governing the assignment or transfer of the interests of a well 2213
to the landowner. Upon the assignment or transfer of the well, 2214
the owner of an exempt domestic well is not subject to the 2215
severance tax levied under section 5749.02 of the Revised Code, 2216
but is subject to all applicable fees established in this 2217
chapter. 2218

(C) The owner holding a permit under section 1509.05 of 2219
the Revised Code is responsible for all obligations and 2220
liabilities imposed by this chapter and any rules, orders, and 2221
terms and conditions of a permit adopted or issued under it, and 2222
no assignment or transfer by the owner relieves the owner of the 2223
obligations and liabilities until and unless the both of the 2224
following occur: 2225

<u>(1) The assignor or transferor or the assignee or</u>	2226
transferee files with the division the information described in	2227
divisions (A) (1), (2), (3), (4), (5), (10), (11), and (12) of	2228
section 1509.06 of the Revised Code;	2229
<u>(2) The assignor or transferor provides or the assignee or</u>	2230
<u>transferee obtains liability insurance coverage required by</u>	2231
section 1509.07 of the Revised Code, except when none is	2232
<u>required by that section; and executes.</u>	2233
<u>(D) Upon assignment or transfer, the assignee or</u>	2234
<u>transferee shall execute and files file a surety bond,</u>	2235
negotiable certificates of deposit or irrevocable letters of	2236
credit, or cash, as described in that section 1509.07 of the	2237
Revised Code. Instead of a bond, but only upon acceptance by the	2238
chief, the assignee or transferee may file proof of financial	2239
responsibility, described in section 1509.07 of the Revised	2240
Code. Section 1509.071 of the Revised Code applies to the surety	2241
bond, cash, and negotiable certificates of deposit and	2242
irrevocable letters of credit described in this section. Unless	2243
the chief approves a modification, each assignee or transferee	2244
shall operate in accordance with the plans and information filed	2245
by the permit holder pursuant to section 1509.06 of the Revised	2246
Code.	2247
<u>(D)(E) If a mortgaged property that is being foreclosed is</u>	2248
subject to an oil or gas lease, pipeline agreement, or other	2249
instrument related to the production or sale of oil or natural	2250
gas and the lease, agreement, or other instrument was recorded	2251
subsequent to the mortgage, and if the lease, agreement, or	2252
other instrument is not in default, the oil or gas lease,	2253
pipeline agreement, or other instrument, as applicable, has	2254
priority over all other liens, claims, or encumbrances on the	2255

property so that the oil or gas lease, pipeline agreement, or
other instrument is not terminated or extinguished upon the
foreclosure sale of the mortgaged property. If the owner of the
mortgaged property was entitled to oil and gas royalties before
the foreclosure sale, the oil or gas royalties shall be paid to
the purchaser of the foreclosed property.

Sec. 1509.36. Any person adversely affected by an order by
the chief of the division of oil and gas resources management
may appeal to the oil and gas commission for an order vacating
or modifying the order.

The person so appealing to the commission shall be known
as appellant and the chief shall be known as appellee. Appellant
and appellee shall be deemed to be parties to the appeal.

The appeal shall be in writing and shall set forth the
order complained of and the grounds upon which the appeal is
based. The appeal shall be filed with the commission within
thirty days after the date upon which the person to whom the
order was issued received the order and, for all other persons
adversely affected by the order, within thirty days after the
date of the order complained of. Notice of the filing of the
appeal shall be filed with the chief within three days after the
appeal is filed with the commission.

Upon the filing of the appeal, the commission may decide
the appeal, in whole or in part, without a hearing when, in its
judgment, it is appropriate to do so. If the commission decides
to hold a hearing, the commission promptly shall fix the time
and place at which the hearing on the appeal will be held, and
shall give the appellant and the chief at least ten days'
written notice thereof by mail. The commission may postpone or
continue any hearing upon its own motion or upon application of

the appellant or of the chief. 2286

The filing of an appeal provided for in this section does 2287
not automatically suspend or stay execution of the order 2288
appealed from, but upon application by the appellant the 2289
commission may suspend or stay the execution pending 2290
determination of the appeal upon such terms as the commission 2291
considers proper. 2292

Either party to the appeal or any interested person who, 2293
pursuant to commission rules has been granted permission to 2294
appear, may submit such evidence as the commission considers 2295
admissible. 2296

For the purpose of conducting a hearing on an appeal, the 2297
commission may require the attendance of witnesses and the 2298
production of books, records, and papers, and it may, and at the 2299
request of any party it shall, issue subpoenas for witnesses or 2300
subpoenas duces tecum to compel the production of any books, 2301
records, or papers, directed to the sheriffs of the counties 2302
where the witnesses are found. The subpoenas shall be served and 2303
returned in the same manner as subpoenas in criminal cases are 2304
served and returned. The fees of sheriffs shall be the same as 2305
those allowed by the court of common pleas in criminal cases. 2306
Witnesses shall be paid the fees and mileage provided for under 2307
section 119.094 of the Revised Code. Such fees and mileage 2308
expenses incurred at the request of appellant shall be paid in 2309
advance by the appellant, and the remainder of those expenses 2310
shall be paid out of funds appropriated for the expenses of the 2311
division of oil and gas resources management. 2312

In case of disobedience or neglect of any subpoena served 2313
on any person, or the refusal of any witness to testify to any 2314
matter regarding which the witness may be lawfully interrogated, 2315

the court of common pleas of the county in which the 2316
disobedience, neglect, or refusal occurs, or any judge thereof, 2317
on application of the commission or any member thereof, shall 2318
compel obedience by attachment proceedings for contempt as in 2319
the case of disobedience of the requirements of a subpoena 2320
issued from that court or a refusal to testify therein. 2321
Witnesses at such hearings shall testify under oath, and any 2322
member of the commission may administer oaths or affirmations to 2323
persons who so testify. 2324

If a hearing occurs and at the request of any party to the 2325
appeal, a record of the testimony and other evidence submitted 2326
shall be taken by an official court reporter at the expense of 2327
the party making the request for the record. The record shall 2328
include all of the testimony and other evidence and the rulings 2329
on the admissibility thereof presented at the hearing. The 2330
commission shall pass upon the admissibility of evidence, but 2331
any party may at the time object to the admission of any 2332
evidence and except to the rulings of the commission thereon, 2333
and if the commission refuses to admit evidence the party 2334
offering same may make a proffer thereof, and such proffer shall 2335
be made a part of the record of the hearing. 2336

If the commission finds that the order appealed from was 2337
lawful and reasonable, it shall make a written order affirming 2338
the order appealed from; if the commission finds that the order 2339
was unreasonable or unlawful, it shall make a written order 2340
vacating the order appealed from and making the order that it 2341
finds the chief should have made. Every order made by the 2342
commission shall contain a written finding by the commission of 2343
the facts upon which the order is based. 2344

Notice of the making of the order shall be given forthwith 2345

to each party to the appeal by mailing a certified copy thereof 2346
to each such party by certified mail. 2347

The order of the commission is final unless vacated by the 2348
court of common pleas of Franklin county in an appeal as 2349
provided for in section 1509.37 of the Revised Code.—~~Sections~~ 2350
~~1509.01 to 1509.37 of the Revised Code, providing for appeals~~ 2351
~~relating to orders by the chief or by the commission, or~~ 2352
~~relating to rules adopted by the chief, do not constitute the~~ 2353
~~exclusive procedure that any person who believes the person's~~ 2354
~~rights to be unlawfully affected by those sections or any~~ 2355
~~official action taken thereunder must pursue in order to protect~~ 2356
~~and preserve those rights, nor do those sections constitute a~~ 2357
~~procedure that that person must pursue before that person may~~ 2358
~~lawfully appeal to the courts to protect and preserve those~~ 2359
~~rights.~~ 2360

Sec. 1509.38. (A) There is hereby created in the division 2361
of oil and gas resources management a technical advisory council 2362
on oil and gas, which shall consist of eight members to be 2363
appointed by the governor with the advice and consent of the 2364
senate. Three members shall be independent oil or gas producers, 2365
operators, or their representatives, operating and producing 2366
primarily in this state, three members shall be oil or gas 2367
producers, operators, or their representatives having 2368
substantial oil and gas producing operations in this state and 2369
at least one other state, one member shall represent the public, 2370
and one member shall represent persons having landowners' 2371
royalty interests in oil and gas production. All members shall 2372
be residents of this state, and all members, except the members 2373
representing the public and persons having landowners' royalty 2374
interests, shall have at least five years of practical or 2375
technical experience in oil or gas drilling and production. Not 2376

more than one member may represent any one company, producer, or operator. 2377
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(B) Terms of office shall be for three years, commencing 2379
on the first day of February and ending on the thirty-first day 2380
of January. Each member shall hold office from the date of 2381
appointment until the end of the term for which the member was 2382
appointed. A vacancy in the office of a member shall be filled 2383
by the governor, with the advice and consent of the senate. Any 2384
member appointed to fill a vacancy occurring prior to the 2385
expiration of the term for which the member's predecessor was 2386
appointed shall hold office for the remainder of that term. Any 2387
member shall continue in office subsequent to the expiration 2388
date of the member's term until the member's successor takes 2389
office, or until a period of sixty days has elapsed, whichever 2390
occurs first. 2391

(C) The council shall select from among its members a 2392
chairperson, a vice-chairperson, and a secretary. All members 2393
are entitled to their actual and necessary expenses incurred in 2394
the performance of their duties as members, payable from the 2395
appropriations for the division. 2396

(D) The governor may remove any member for inefficiency, 2397
neglect of duty, or malfeasance in office. 2398

(E) The council shall hold at least one regular meeting in 2399
each quarter of a calendar year and shall keep a record of its 2400
proceedings. Special meetings may be called by the chairperson 2401
and shall be called by the chairperson upon receipt of a written 2402
request signed by two or more members of the council. A written 2403
notice of the time and place of each meeting shall be sent to 2404
each member of the council. Five members constitute a quorum, 2405
and no action of the council is valid unless five members 2406

concur. 2407

(F) The council, when requested by the chief of the 2408
division of oil and gas resources management, shall consult with 2409
and advise the chief and perform other duties that may be 2410
lawfully delegated to it by the chief. The council may 2411
participate in hearings held by the chief under this chapter and 2412
has powers of approval as provided in sections 1509.24 and 2413
1509.25 of the Revised Code. The council shall conduct the 2414
activities required, and exercise the authority granted, under 2415
Chapter 1510. of the Revised Code. 2416

(G) If the council receives a request from the director of 2417
natural resources to approve an expenditure from the oil and gas 2418
resolution and remediation fund for purposes of division (D) of 2419
section 1509.075 of the Revised Code, the council shall vote to 2420
approve or deny that expenditure. The council shall notify the 2421
director in writing of the approval or denial. 2422

(H) The council, upon receiving a request from the 2423
chairperson of the oil and gas commission under division (C) of 2424
section 1509.35 of the Revised Code, immediately shall prepare 2425
and provide to the chairperson a list of its members who may 2426
serve as temporary members of the oil and gas commission as 2427
provided in that division. 2428

Sec. 2305.041. (A) With respect to a lease or license by 2429
which a right is granted to operate or to sink or drill wells on 2430
land in this state for natural gas or petroleum and that is 2431
recorded in accordance with section 5301.09 of the Revised Code, 2432
an action alleging breach of any express or implied provision of 2433
the lease or license concerning the calculation or payment of 2434
royalties shall be brought within the time period that is 2435
specified in section 1302.98 of the Revised Code. 2436

(B) An action alleging a breach with respect to any other issue that the lease or license involves either of the following 2437
shall be brought within the time period specified in section 2438
2305.06 of the Revised Code: 2439
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(1) That a lease has terminated, is no longer in effect, or has expired; 2441
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(2) A breach with respect to any other issue that the lease or license involves. 2443
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Sec. 5577.02. (A) No person shall operate or move a trackless trolley, traction engine, steam roller, or other vehicle, load, object, or structure, whether propelled by muscular or motor power, over or upon the improved public streets, highways, bridges, or culverts in this state, that weighs in excess of the weights prescribed in sections 5577.01 to 5577.14 of the Revised Code, unless the one of the following applies: 2445
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(1) The person has been issued a permit under section 4513.34 of the Revised Code; 2453
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(2) The person has been issued a permit under section 1509.06 of the Revised Code, and the person has either entered into an agreement concerning maintenance and safe use of the roads, streets, and highways, or the person has filed an affidavit attesting that the person has attempted in good faith to enter into an agreement in accordance with division (A) (11) (b) of that section. 2455
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(B) The prohibition in this section applies regardless of whether the weight is moved upon wheels, rollers, or otherwise. Any weight determination shall include the weight of the vehicle, object, structure, contrivance, and load. 2462
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Sec. 5727.02. As used in this chapter, "public utility,"	2466
"electric company," "natural gas company," "pipe-line company,"	2467
"water-works company," "water transportation company," or	2468
"heating company" does not include any of the following:	2469
(A) (1) Except as provided in division (A) (2) of this	2470
section, any person that is engaged in some other primary	2471
business to which the supplying of electricity, heat, natural	2472
gas, water, water transportation, steam, or air to others is	2473
incidental.	2474
(2) For tax year 2009 and each tax year thereafter, a	2475
person that is engaged in some other primary business to which	2476
the supplying of electricity to others is incidental shall be	2477
treated as an "electric company" and a "public utility" for	2478
purposes of this chapter solely to the extent required by	2479
section 5727.031 of the Revised Code.	2480
(3) For purposes of division (A) of this section and	2481
section 5727.031 of the Revised Code:	2482
(a) "Supplying of electricity" means generating,	2483
transmitting, or distributing electricity.	2484
(b) A person that leases to others energy facilities with	2485
an aggregate nameplate capacity in this state of two hundred	2486
fifty kilowatts or less per lease is not supplying electricity	2487
to others.	2488
(c) A person that owns, or leases from another person,	2489
energy facilities with an aggregate nameplate capacity in this	2490
state of two hundred fifty kilowatts or less is not supplying	2491
electricity to others, regardless of whether the owner or lessee	2492
engages in net metering as defined in section 4928.01 of the	2493
Revised Code.	2494

(d) A political subdivision of this state that owns an energy facility is not supplying electricity to others regardless of the nameplate capacity of the facility if the primary purpose of the facility is to supply electricity for the political subdivision's own use. As used in this division, "political subdivision" means a county, township, municipal corporation, or any other body corporate and politic that is responsible for government activities in a geographic area smaller than that of the state.	2495 2496 2497 2498 2499 2500 2501 2502 2503
(B) Any person that supplies electricity, natural gas, water, water transportation, steam, or air to its tenants, whether for a separate charge or otherwise;	2504 2505 2506
(C) Any person whose primary business in this state consists of producing, refining, or marketing petroleum or its products.	2507 2508 2509
(D) Any person whose primary business in this state consists of producing or gathering natural gas rather than supplying or distributing natural gas to consumers. <u>A person's primary business is gathering natural gas if the total dekatherms of natural gas the person gathers exceeds the total dekatherms of natural gas the person purchases from nongathered sources in a calendar year.</u>	2510 2511 2512 2513 2514 2515 2516
Section 2. That existing sections 155.33, 155.34, 1503.35, 1509.01, 1509.02, 1509.03, 1509.06, 1509.07, 1509.071, 1509.13, 1509.22, 1509.221, 1509.23, 1509.28, 1509.31, 1509.36, 1509.38, 2305.041, 5577.02, and 5727.02 of the Revised Code are hereby repealed.	2517 2518 2519 2520 2521
Section 3. The amendment by this act of section 5727.02 of the Revised Code applies to tax year 2027 and every tax year	2522 2523

thereafter.	2524
Section 4. That Section 343.30 of H.B. 96 of the 136th General Assembly be amended to read as follows:	2525
Sec. 343.30. WELL LOG FILING FEES	2527
The Chief of the Division of Water Resources shall deposit fees forwarded to the Division pursuant to section 1521.05 of the Revised Code into the Water Management Fund (Fund 5160) for the purposes described in that section.	2528
<u>OIL AND GAS WELL FUND</u>	2532
<u>The Oil and Gas Well Fund (Fund 5180) 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 of Oil and Gas Resources Management associated with the administration of Chapters 1509. and 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.</u>	2533
<u>Notwithstanding Section 503.20 of H.B. 96 of the 136th General Assembly, or any other provision of law to the contrary, money credited to the Oil and Gas Well Fund (Fund 5180) shall not be used to transfer cash to any other fund or appropriation item or for judgments and settlements unrelated to the Division of Oil and Gas Resources Management.</u>	2541
<u>PARKS CAPITAL EXPENSES FUND</u>	2547
The Director of Natural Resources shall submit to the Director of Budget and Management the estimated design, engineering, and planning costs of capital-related work to be done by Department of Natural Resources staff for parks projects within the Ohio Parks and Recreation Improvement Fund (Fund	2548
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7035). If the Director of Budget and Management approves the 2553
estimated costs, the Director may release appropriations from 2554
Fund 7035 appropriation item C725E6, Project Planning, for those 2555
purposes. Upon release of the appropriations, the Department of 2556
Natural Resources shall pay for these expenses from the Parks 2557
Capital Expenses Fund (Fund 2270). Expenses paid from Fund 2270 2558
shall be reimbursed by Fund 7035 using an intrastate transfer 2559
voucher. 2560

NATUREWORKS CAPITAL EXPENSES FUND

The Department of Natural Resources shall submit to the 2562
Director of Budget and Management the estimated design, 2563
planning, and engineering costs of capital-related work to be 2564
done by Department of Natural Resources staff for each capital 2565
improvement project within the Ohio Parks and Natural Resources 2566
Fund (Fund 7031). If the Director of Budget and Management 2567
approves the estimated costs, the Director may release 2568
appropriations from Fund 7031 appropriation item C725E5, Project 2569
Planning, for those purposes. Upon release of the 2570
appropriations, the Department of Natural Resources shall pay 2571
for these expenses from the Capital Expenses Fund (Fund 4S90). 2572
Expenses paid from Fund 4S90 shall be reimbursed by Fund 7031 2573
using an intrastate transfer voucher. 2574

PARKS AND RECREATION

The foregoing appropriation item 7256A6, Parks and 2576
Recreation, shall be used in conjunction with appropriation item 2577
730321, Parks and Recreation, to support the Division of Parks 2578
and Watercraft. 2579

PARK MAINTENANCE

The foregoing appropriation item 725514, Park Maintenance,

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shall be used by the Department of Natural Resources to pay the 2582
costs of projects supported by the State Park Maintenance Fund 2583
(Fund 5TD0) under section 1501.08 of the Revised Code. 2584

On July 1 of each fiscal year or as soon as possible 2585
thereafter, the Director of Natural Resources shall certify the 2586
amount of five percent of the average of the previous five years 2587
of deposits in the State Park Fund (Fund 5120) to the Director 2588
of Budget and Management. The Director of Budget and Management 2589
may transfer up to \$2,200,000 from Fund 5120 to the State Park 2590
Maintenance Fund (Fund 5TD0). 2591

Section 5. That existing Section 343.30 of H.B. 96 of the 2592
136th General Assembly is hereby repealed. 2593