



**H.B. 551**

127th General Assembly  
(As Introduced)

**Reps. Gibbs, Huffman, Blessing**

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**BILL SUMMARY**

- Revises the procedures established in the Oil and Gas Law for the review of a permit application for a well in a coal bearing township by requiring that a mine whose owner or lessee may object to the application be an affected mine, and defines "affected mine" as a coal mining operation whose boundaries encompass a well that is the subject of a permit application submitted under the Oil and Gas Law.
- Requires an application for a coal mining operation permit to include a listing of all oil and gas wells in the permit area and a description of proposed techniques and equipment that will be used to ensure that each well will not be affected by the coal mining operation.
- Precludes the issuance of a coal mining operation permit unless the applicant has demonstrated that no well listed in the application will be adversely affected by the coal mining operation.

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**CONTENT AND OPERATION**

Current law establishes procedures to be followed by the Chief of the Division of Mineral Resources in the Department of Natural Resources upon receipt of an application for a permit to drill, reopen, convert, plug, or abandon an oil or gas well. Additional procedures are established if the application to drill, reopen, or convert concerns a well that is or is to be located in a coal bearing township. Upon receipt of such an application, the Chief immediately must notify the owner or lessee of any affected mine that the application has been filed and send to the owner or lessee two copies of the required map accompanying the application setting forth the location of the well. The bill instead requires the Chief to so notify the owner or lessee of any mine in the township. (R.C. 1509.08.)

Under current law, if the owner or lessee of the mine objects to the location of the well proposed in the application, or objects to any location within 50 feet of the original location as a possible site for relocation of the well, the owner or lessee must notify the Chief of the objection, giving the reasons for the objection and, if applicable, indicating on a copy of the map the particular location or locations within 50 feet of the original location to which the owner or lessee objects as a site for possible relocation of the well, within six days after the receipt of the notice. If the Chief receives no objections from the owner or lessee of the mine within ten days after the receipt of the notice by the owner or lessee, or if in the opinion of the Chief the objections offered by the owner or lessee are not sufficiently well founded, the Chief immediately must notify the owner or lessee of those findings. The bill requires the Chief also to notify the owner or lessee if the mine is not an affected mine. (R.C. 1509.08.) The bill defines "affected mine" as a coal mining operation, as defined in the Coal Surface Mining Law including an underground coal mine, for which the Chief has issued a permit or for which an application for a permit has been submitted under that Law and the boundaries that are authorized in the permit or identified in the permit application encompass a well that is the subject of an application that is submitted under the Oil and Gas Law for a permit to drill, reopen, or convert a well (R.C. 1509.01).

Currently, if the Chief receives an objection from the owner or lessee of the mine as to the location of the well within ten days after receipt of the notice by the owner or lessee, and if in the opinion of the Chief the objection is well founded, the Chief must disapprove the application and suggest a new location for the well, provided that the suggested new location cannot be a location within 50 feet of the original location to which the owner or lessee has objected as a site for possible relocation of the well if the Chief has determined that the objection is well founded. The bill adds that the mine must be an affected mine. Under continuing law, the Chief immediately must notify the applicant for the permit of the disapproval and any suggestion as to a new location for the well. The applicant may withdraw the application or amend the application to drill the well at the location suggested by the Chief.

Under existing law, if the Chief receives no objection from the owner or lessee of a mine as to the location of the well, but does receive an objection from the owner or lessee as to one or more locations within 50 feet of the original location as possible sites for relocation of the well within ten days after receipt of the notice by the owner or lessee, and if in the opinion of the Chief the objection is well founded, the Chief nevertheless must approve the application and issue a permit if the provisions in the Oil and Gas Law pertaining to the issuance of such a permit have been complied with, incorporating as a term or condition of the permit that the applicant is prohibited from commencing drilling at any location within 50

feet of the original location that has been disapproved by the Chief. The bill adds that the mine must be an affected mine. (R.C. 1509.08.)

Under current law, all of the above actions of the Chief may be appealed to the Reclamation Commission. The bill instead requires that all such appeals be made to the Oil and Gas Commission. It retains the requirement that all such appeals be treated as expedited appeals. (R.C. 1509.08.)

Current law requires an operator conducting a coal mining operation to obtain a permit for the operation issued by the Chief of the Division of Mineral Resources Management. The permit application must contain detailed information specified in statute. The bill adds that an application must include a listing of all wells, as defined in the Oil and Gas Law, located in the permit area that includes the American Petroleum Institute well number of each well, if available, and a description of the proposed techniques and equipment that will be used to ensure that each well will not be affected by the coal mining operation, including the subsurface extraction of coal. (R.C. 1513.07.)

Current law precludes the Chief from approving an application for a permit for a coal mining operation unless the application affirmatively demonstrates and the Chief finds in writing on the basis of the information set forth in the application or from information otherwise available that specified conditions have been met. The bill adds as a condition that the applicant has demonstrated that no well that is listed in the permit application will be adversely affected by the coal mining operation, including the subsurface extraction of coal. (R.C. 1513.07.)

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## HISTORY

ACTION	DATE
Introduced	05-07-08

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