WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1963

ENROLLED

SENATE BILL NO. 219

(By Mr. Carson Ma President and Min Jackson

PASSED March 4 1963

In Effect July 1, 1963 Passage

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Filed in Office of the Secretary of State of West Virginia <u>3-11-63</u> JOE F. BURDETT SECRETARY OF STATE

ENROLLED Senate Bill No. 219

(By MR. CARSON, MR. PRESIDENT and MR. JACKSON)

[Passed March 4, 1963; in effect July 1, 1963.]

AN ACT to amend and reenact sections one, two, three, four, nine and fourteen, article four, chapter twenty-two of the code of West Virginia, one thousand nine hundred thirtyone, as amended; and to further amend said article four by adding thereto twelve new sections, designated sections one-a, one-b, one-c, one-d, one-e, one-f, one-g, one-h, one-i, one-j, two-a and eighteen, all relating to oil and gas generally and providing certain definitions of terms; providing that well operators must file plats and give notice; specifying the contents of such plats; requiring permits to drill; requiring permits to fracture oil and/or gas wells originally drilled before the fifth day of June, one thousand nine hun-

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dred twenty-nine; specifying the circumstances under which such permits to drill or fracture shall be issued; requiring a performance bond as a condition precedent to the issuance of a permit or permits to drill, or a permit or permits to fracture oil and/or gas wells originally drilled before the fifth day of June, one thousand nine hundred twenty-nine; permitting objections to proposed location of oil and/or gas wells and to proposed fracturing; providing for hearing on objections; authorizing parties to agree on drilling location and the conditions under which fracturing is to take place for the protection of life and property; authorizing department of mines to fix location of oil and/ or gas wells and the conditions under which fracturing is to take place for the protection of life and property; providing for exceptions to drilling locations and to conditions of fracturing fixed by department of mines; providing for docket of proceedings; permitting judicial review of drilling location fixed or approved, and of the conditions of fracturing fixed or approved for the protection of life and property, by department of mines, and of the issuance of any drilling or fracturing permit, and providing for pro-

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ceedings upon such judicial review; requiring notice of intention to plug and abandon oil and/or gas wells; providing for plugging and abandonment of oil and/or gas wells; providing for plugging and abandonment of oil and/or gas wells upon obtaining certain approval in writing; requiring a performance bond as a condition precedent to plugging and abandonment of a well; requiring an affidavit showing the time and manner of plugging and filling an oil and/or gas well or wells; providing that natural gas shall not be unreasonably wasted; requiring filing with department of mines of plans of operation for wasting gas to produce oil; permitting rejection of such plans by department of mines; establishing in the department of mines the office of deputy director for oil and gas; specifying the powers, duties, salary and oath of such deputy director; requiring a bond of such deputy director; providing for expenses of such deputy director; establishing the eligibility requirements for such deputy director; providing for the appointment, tenure and removal of not more than eight district oil and gas inspectors and a supervising inspector; providing for the examination of can-

didates for appointment as oil and gas inspectors and for appointment as a supervising inspector; providing for a register of certified eligible candidates for appointment as oil and gas inspectors and as supervising inspector; providing for the removal of names from such register and under certain circumstances the reinstatement thereof; specifying the oath, bond and salary of oil and gas inspectors and supervising inspector; providing for expenses of oil and gas inspectors and supervising inspector; establishing the eligibility requirements and qualifications of persons desiring to serve as oil and gas inspectors and as supervising inspector; providing procedures for removal of oil and gas inspectors and supervising inspector; establishing the oil and gas inspectors' examining board; specifying the qualifications of persons to serve on such board; providing for the appointment of members of such board; providing a per diem and mileage allowance for the members of such board; specifying an oath for the members of such board; providing for meetings of such board; specifying the powers and duties of such board; authorizing the deputy director for oil and gas, oil and gas inspectors and the su-

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pervising inspector to visit and inspect oil and/or gas wells, well sites and any other oil and/or gas facilities; requiring the owner or operator of every oil and/or gas well, well site or any other oil and/or gas facility to cooperate with the deputy director for oil and gas, all oil and gas inspectors and the supervising inspector in making inspections or obtaining information; specifying the duties of oil and gas inspectors and of the supervising inspector; providing for findings and orders of oil and gas inspectors; providing for special inspections; providing for notice of findings and orders; providing for review by deputy director for oil and gas of findings and orders of oil and gas inspectors; providing for notice of findings and orders made after review by such deputy director; specifying the manner in which findings and orders must be made and notice thereof given; permitting judicial review of final orders of deputy director for oil and gas concerning inspection of oil and/or gas wells, well sites and any other oil and/or gas facility; providing the method and manner of applying for such judicial review; providing for proceedings upon judicial review; providing that well operators must give

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notice to coal operators and department of mines of intention to fracture certain other wells; specifying the contents of such notice; requiring permits to fracture such other wells; specifying the circumstances under which such permits to fracture such other wells shall be issued; and providing for injunctive relief.

Be it enacted by the Legislature of West Virginia:

That sections one, two, three, four, nine and fourteen, article four, chapter twenty-two of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that said article four be further amended by adding thereto twelve new sections, designated sections one-a, one-b, one-c, one-d, one-e, one-f, one-g, one-h, one-i, one-j, two-a and eighteen, all to read as follows:

Section 1. Definitions.—The term "well" when used in this article, means a bore hole drilled or proposed to be drilled for the purpose of producing natural gas and/or petroleum, or through which natural gas and/or petroleum is being produced; the terms "oil and/or gas facility" when used in this article, mean any facility utilized in the oil and gas industry in this state and specifically named or

referred to in this article or in articles five or seven of 8 this chapter, other than a well or well site; the term 9 "owner," when used with reference to any such well, 10 11 shall include any person or persons, firm, partnership, 12 partnership association or corporation that owns, manages, 13 operates, controls or possesses such well as principals, or as lessee or contractor, employee or agent of such prin-14 cipal; the term "well operator" shall include any person 15 or persons, firm, partnership, partnership association or 16 corporation that proposes to or does locate, drill, operate 17 18 or abandon any well as herein defined; the term "coal operator" shall include any person or persons, firm, part-19 20 nership, partnership association or corporation that proposes to or does operate a coal mine; the term "depart-21 ment" or "department of mines" includes the duly con-2223stituted authorities under the laws of this state having jurisdiction over coal mining operations; the term "plat" $\mathbf{24}$ means a map, drawing or print showing the location of a 25well or wells as herein defined; the term "casing" means 26a string or strings of pipe commonly placed in wells drilled 27 for natural gas and/or petroleum; the terms "oil" and 28

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29 "gas" are synonyms for petroleum and natural gas re-30 spectively; the term "cement" means hydraulic cement properly mixed with water only; the term "workable coal 31bed" means a coal bed in fact being operated commer-3233 cially, or which, in the judgment of the department of mines, can, and that it is reasonably to be expected will, 34 be so operated, and which, when operated, will require 35 36 protection if wells are drilled through it.

Sec. 2. When Well Operator to File Plat; Contents; 2 Notice; Permit Required; Performance Bond Required. -Before drilling for oil or gas, or before fracturing an oil 3 4 and/or gas well originally drilled before the fifth day of June, one thousand nine hundred twenty-nine, on any 5 6 tract of land, the well operator shall have a plat prepared by a competent engineer showing the district and county 7 8 in which the tract of land is located, the name and acreage of the same, the names of the owners of adjacent 9 10tracts, the proposed or actual location of the well deter-11 mined by survey, the courses and distances of such loca-12tion from two permanent points or landmarks on said 13 tract and the number to be given the well (and the date

14 of drilling completion of a well originally drilled before the fifth day of June, one thousand nine hundred twenty-15 16 nine, when it is proposed that such a well be fractured), 17 and shall forward by registered mail a copy of the plat 18 to the department of mines. In the event the tract of land 19 on which the said well proposed to be drilled or fractured 20 is located is known to be underlaid with one or more work-21 able beds of coal, copies of the plat shall be forwarded by 22 registered mail to each and every coal operator, if any, 23operating said beds of coal beneath said tract of land, or $\mathbf{24}$ within five hundred feet of the boundaries of the same, 25 who has mapped the same and filed his maps as required 26 by law. With each of such plats there shall be enclosed 27 a notice (form for which shall be furnished on request 28 by the department of mines) addressed to the department of mines and to each such coal operator, if any, at their 29 30 respective addresses, informing them that such plat and notice are being mailed to them respectively by registered 31mail, pursuant to the requirements of this article. If no 3233 objections are made, or are found by the department, to such proposed location or proposed fracturing within ten 34

days from receipt of such plat and notice by the depart-35 36 ment of mines, the same shall be filed and become a permanent record of such location or fracturing subject to 37 inspection at any time by any interested person, and the 38 39 department shall forthwith issue to the well operator a 40 permit reciting the filing of such plat, that no objections have been made by the coal operators, if any, or found 41 thereto by the department, and authorizing the well 42 43 operator to drill at such location, or to fracture the well 44 originally drilled before the fifth day of June, one thousand nine hundred twenty-nine: Provided, That unless 45 46 the department has objections to such proposed location or proposed fracturing, such permit shall be issued prior 47 to the expiration of such ten day period upon the obtain-48 ing by the well operator of the consent in writing of the **49** 50 coal operator or operators to whom copies of the plat and notice shall have been mailed as herein required, and upon 51 presentation of such written consent to the department. 52 The notice above provided for may be given to the coal 53 operator by delivering or mailing it as above to any agent 54 or superintendent in actual charge of mines. 55

56 A permit to drill, or to fracture an oil and/or gas well originally drilled before the fifth day of June, one thou-57 sand nine hundred twenty-nine, shall not be issued unless 58 59 the application therefor is accompanied by a bond of the operator in the sum of one thousand dollars, payable to 60 61 the state of West Virginia, with a corporate bonding and/ 62 or surety company authorized to do business in this state as surety thereon, conditioned on full compliance with all 63 64 laws, rules and regulations relating to the drilling, re-65 drilling, deepening, casing, plugging and abandonment of wells and for furnishing such reports and information as 66 67 may be required by the department: Provided, however, 68 That when such operator makes or has made application 69 for permits to drill a number of wells and/or fracture a 70well or wells originally drilled before the fifth day of 71 June, one thousand nine hundred twenty-nine, the oper-72ator may in lieu of furnishing a separate bond furnish a 73blanket bond in the sum of ten thousand dollars, payable to the state of West Virginia, with a corporate bonding 74 75 and/or surety company authorized to do business in this state as surety thereon, and conditioned as aforesaid: 76

77 Provided, further, That in lieu of corporate surety on a 78 separate or blanket bond, as the case may be, the operator may elect to deposit with the deputy director for oil and 79 gas cash and/or the following collateral securities or any 80 combination thereof: (1) bonds of the United States or 81 agency thereof, or those guaranteed by, or for which the 82 credit of the United States or agency thereof is pledged for 83 the payment of the principal and interest thereof; (2) direct 84 85 general obligation bonds of this state, or any other state, or 86 territory of the United States, or the District of Columbia, unconditionally guaranteed as to the principal and interest 87 88 by such other state or territory of the United States, or the District of Columbia if such other state, territory, or the 89 90 District of Columbia has the power to levy taxes for the 91 payment of the principal and interest of such securities, 92 and if at the time of the deposit such other state, territory, or the District of Columbia is not in default in the 93 94 payment of any part of the principal or interest owing 95 by it upon any part of its funded indebtedness; (3) direct 96 general obligation bonds of any county, district, city, town, 97 village, school district or other political subdivision of

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this state issued pursuant to law and payable from ad 98 valorem taxes levied on all the taxable property located 99 therein, provided that the total indebtedness after de-100101 ducting sinking funds and all debts incurred for self-sustaining public works does not exceed five per cent of the 102assessed value of all taxable property therein at the time 103of the last assessment made before the date of such de-104105 posit, and provided that the issuer has not, within five years prior to the making thereof, been in default for more 106 107 than ninety days in the payment of any part of the prin-108 cipal or interest on any debt evidenced by its bonds; (4) 109 revenue bonds issued by this state or any agency of this state when such bonds are payable from revenues or earn-110 ings specifically pledged for the payment of principal and 111 112 interest, and a lawful sinking fund or reserve fund has been established and is being maintained for the payment 113 114 of such bonds; (5) revenue bonds issued by a muncipality in this state for the acquisition, construction, improve-115 ment, or extension of a waterworks system, or a sewer-116age system, or a combined waterworks and sewerage sys-117 tem, when such bonds are payable from revenue or earn-118

119 ings specifically pledged for the payment of principal and 120 interest, and a lawful sinking fund or reserve fund has 121 been established and is being maintained for the payment 122 of such bonds; (6) revenue bonds issued by a public serv-123ice board of a public service district in this state for the acquisition, construction, improvement or extension of 124125 any public service properties, or for the reimbursement 126or payment of the costs and expenses of creating the 127 district, when such bonds are payable from revenue or 128 earnings specifically pledged for the payment of principal 129 and interest, and a lawful sinking fund or reserve fund 130 has been established and is being maintained for the pay-131ment of such bonds; (7) revenue bonds issued by a board 132of trustees of a sanitary district in this state for the cor-133 porate purposes of such district, when such bonds are 134payable from revenue or earnings specifically pledged 135 for the payment of principal and interest, and a lawful 136 sinking fund or reserve fund has been established and is 137 being maintained for the payment of such bonds; and (8) 138 bonds issued by a federal land bank or home owners loan 139 corporation. The cash deposit and/or market value of 140 the collateral securities shall be equal to or greater than 141 the penalty of the separate or blanket bond, as the case 142 may be. Upon receipt of any such deposit of cash and/or 143 collateral securities, the deputy director for oil and gas 144 shall immediately deliver the same to the treasurer of 145 the state of West Virginia. The treasurer shall determine 146 whether any such securities satisfy the requirements of 147 this section. If the securities are approved they shall be accepted by the treasurer. If the securities are not ap-148 149 proved, they shall be rejected and returned to the oper-150 ator and no permit shall be issued until a corporate surety 151 bond is filed or cash and/or proper collateral securities are filed in lieu of such surety. The treasurer shall hold any 152153 cash and/or securities in the name of the state in trust 154 for the purposes for which the deposit was made. The operator shall be entitled to all interest and income earned 155 on the collateral securities filed by such operator so long 156 as the operator is in full compliance with all laws, rules 157 and regulations relating to the drilling, redrilling, deep-158 ening, casing, plugging and abandonment of wells and for 159 160 furnishing such reports and information as may be re-

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161 quired by the department. The operator making the de-162 posit shall be entitled from time to time to receive from 163the treasurer, upon the written order of the deputy di-164 rector for oil and gas, the whole or any portion of such securities upon depositing with the treasurer in lieu there-165166 of cash equal to or greater than the penalty of the 167 bond, and/or other approved securities of the classes here-168 in specified having a market value equal to or greater 169than the penalty of the bond, or a corporate surety bond. 170 Any such bond shall remain in force until released by the department and the department shall release the same 171 172when it is satisfied the conditions thereof have been fully performed. Upon the release of any such bond, any 173cash and/or collateral securities deposited shall be re-174175 turned by the deputy director for oil and gas to the operator who deposited same. 176

Sec. 3. Objections to Proposed Drilling Location; Objections to Proposed Fracturing; Hearing; Agreed Location
of Well; Agreed Conditions of Fracturing; Drilling Location Fixed by Department of Mines; Conditions of Fracturing Fixed by Department of Mines; Exceptions; Docket

6 of Proceedings.—In any case where the proposed drilling or fracturing site is above or in close proximity to any mine 7 8 opening or shaft, entry, traveling, air, haulage, drainage or other passageway, or to any proposed extension there-9 10 of, in any operated or abandoned or operating coal mine, 11 or coal mine already surveyed and platted, but not yet 12 being operated, so that the well or the pillar of coal about the well necessary to the protection of the mine and of 13 14 the well itself when drilled or fractured will interfere with or endanger the use of such mine opening, entries or 15 16 ways, then the coal operator or operators affected may, and shall, if the drilling or fracturing of a well at such 17 18 location will cause a dangerous condition in their mine or mines, within ten days from the receipt by the depart-19 20 ment of mines of the plat and notice required by section two, or within ten days from receipt by the department of 21 22 mines of the notice required by section two-a, file objec-23 tions in writing (forms for which will be furnished by 24 the department on request) to such proposed drilling or fracturing with the department of mines, setting out 25 therein as definitely as is reasonably possible the ground 26

or grounds on which such objections are based and in the case of proposed drilling, indicating the direction and distance from the location shown the proposed well should be drilled to overcome such objections, and in the case of proposed fracturing, indicating the conditions for the protection of life and property under which the well should be fractured to overcome such objections.

If any objection or objections are so filed by any coal 34 operator or are made by the department of mines, the de-35 partment shall notify the well operator of the character 36 37 of the objections and by whom made and fix a time and place, not less than ten days from the end of said ten day 38 39 period, at which such objections will be considered, of which time and place the well operator and all coal oper-**40** ators to whom a copy of the plat and notice required by 41 section two was mailed, or to whom the notice required 42 by section two-a was mailed, as the case may be, whether 43 objecting or not objecting to the proposed drilling or 44 fracturing, shall be given at least five days' written notice 45 by the department, by registered mail, and summoned 46 to appear, bringing with them their maps and plans show-47

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ing their mines and mine workings and in the case of pro-48 49 posed drilling, being prepared to approve or to except to 50 such location or locations as the department may, after 51 hearing, approve or itself fix in case no agreement is reached, and in the case of proposed fracturing being pre-5253 pared to approve or to except to any conditions under 54 which the fracturing is to take place as the department may, for the protection of life and property, after hearing, 55 approve or itself fix in case no agreement is reached. At 56 the time and place so fixed the well operator and the in-57 terested coal operators, or such of them as are present or 58 represented, shall proceed to consider the objections, and 59 in the case of proposed drilling to agree upon either the 60 61 location as made or so moved as to satisfy all objections 62 and meet the approval of the department, and any change in the original location so agreed upon and approved by 63 64 the department shall be indicated on said plat on file with the department, and the distance and direction of the new 65 location from the original location shall be shown, and, 66 as so altered, the plat shall be filed and become a perma-67 68 nent record, and in the case of proposed fracturing to

agree upon conditions under which the well is to be frac-69 70 tured which will protect life and property and which will satisfy all objections and meet the approval of the de-71 72 partment, at which time the plat and notice required by 73 section two, or the notice required by section two-a, as the case may be, shall be filed and become a permanent 74 75 record. Whereupon the department shall forthwith issue to the well operator a drilling or fracturing permit, as 76 the case may be, reciting the filing of the plat and notice 77 78 required by said section two, or the notice required by 79 said section two-a, as the case may be, that at a hearing 80 duly held a location as shown on the plat or the conditions 81 under which the fracturing is to take place for the pro-82 tection of life and property were agreed upon and approved, and that the well operator is authorized to drill 83 84 at such location or to fracture at the site shown on such 85 plat, or to fracture the well identified in the notice required by section two-a, as the case may be. 86

In case the well operator and the coal operator or such
of the coal operators as are present or represented at such
hearing are unable to agree upon a drilling location, or

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upon a drilling location that meets the approval of the 90 91 department of mines, then the department shall fix a drilling location on such tract of land as near to the orig-92 93 inal location as possible in a pillar of suitable size, through 94 which the well can be drilled safely, taking into consider-95 ation the dangers from creep, squeeze, or other disturb-96 ance, due to the extraction of coal. Should no such pillar exist, however, the well may be located and drilled 97 98 through open workings where, in the judgment of the department of mines, it is practicable and safe so to do, 99 taking into consideration the dangers from creeps, 100 101 squeezes, or other disturbances. In case the well operator and the coal operator or such of the coal operators as are 102present or represented at such hearing are unable to 103104 agree upon the conditions under which the well is to be 105fractured so as to protect life and property, or upon con-106 ditions of fracturing that meet the approval of the department of mines, then the department shall fix the con-107 ditions under which the well is to be fractured, provided 108109the well can be fractured safely, taking into consideration 110 the dangers from creeps, squeezes, or other disturbances.

111 Such new drilling location shall be indicated on the plat 112on file with the department as provided in the next preceding paragraph of this section, and the department 113 shall forthwith tender to the well operator a permit to 114 drill at such location, or to fracture at the site shown on 115 plat, or to fracture the well identified in the notice re-116 117 quired by section two-a, as the case may be, which permit the well operator may accept or refuse to accept, and if 118 119 it accepts such permit, the coal operator or operators hav-120 ing filed objections and appearing or being represented at 121 such hearing, may except to such location or fracturing and to the issuance of such drilling or fracturing permit; 122 123and the well operator accepting the same may require the record of the hearing to show that it accepts such drilling 124 125 permit at the location made by the department as a new 126 or additional location and not in lieu of its original location, or that it accepts such fracturing permit as to the 127 conditions under which the well is to be fractured as 128 fixed by the department as new conditions and not in lieu 129 130 of the conditions preferred by it, and that it reserves the right to appeal to the circuit court of the county in which 131

its original drilling location, or its fracturing site, lies for
relief, and that it excepts to the refusal of the department
to approve such original location substantially as made
or to approve the conditions of fracturing preferred.

136 The department of mines shall number and keep an index of and docket each plat and notice mailed to it as 137 provided in section two of this article, and each notice 138 139 mailed to it as provided in section two-a of this article, 140 entering in such docket the name of the well operator, 141 names of the coal operators notified and their addresses, 142 the date of receipt of any such plat and notice required by said section two or notice required by said section 143 144 two-a and of all objections filed, dates of hearings and all actions taken by the department, permits issued or re-145 146 fused, which docket shall be open to inspection by the public, and, together with the papers filed, shall consti-147 tute the record of each such proceeding before the de-148 149 partment.

Sec. 4. Appeal by Coal Operator or Well Operator from
2 Drilling Location Fixed or Approved, or from the Condi3 tions of Fracturing Fixed or Approved, by Department

of Mines or from Issuance of Permit to Drill or Fracture; 4 Procedure.—Any coal operator excepting to any drilling 5 location fixed or approved by the department of mines or 6 to the issuance of any drilling permit, or to the conditions 7 under which the well is to be fractured as fixed or ap-8 proved by the department of mines for the protection of 9 10 life and property or to the issuance of any fracturing 11 permit, and any well operator excepting to the refusal of 12 the department to grant a drilling permit at the location shown in the plat mailed to the department as provided 1314 in section two of this article, or such location so shifted 15 as to be still substantially the same or the equivalent 16 thereof, or to the refusal of the department to grant a 17 fracturing permit in accordance with the conditions of fracturing preferred by the well operator, may at any 18 19 time within ten days of the taking of such action by the 20 department of mines appeal to the circuit court of the county in which the proposed drilling location or frac-21 22 turing site involved lies. The procedure shall be by petition and answer, duly verified, and naming the depart-23ment as one of the respondents. The petition shall briefly 24

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set forth the matter in controversy, the ruling of the de-25partment and the relief sought. The operator making 26 such appeal shall forthwith send a copy of such petition 27 28 for appeal, by registered mail, to the deputy director for oil and gas. Upon receipt of such copy of such petition 2930 for appeal the deputy director for oil and gas shall promptly certify and file in such court a complete tran-31 32 script of the record upon which the ruling complained of was made, as well as copies of all papers filed with the 33 34 department. The costs of such transcriptions shall be paid by the party making the appeal. The respondents shall 35 36 be required to answer under oath within ten days after service of copies of the petition upon them, and the pro-37 38 cedure shall be expedited, as far as is reasonably possible, 39 having regard to possible drainage or loss of title by the 40 well operator through its failure to complete or fracture a well within the period fixed by the terms of the lease 41 under which it holds. The court may, by preliminary 42 order, upon proper proof of the necessity therefor and the 43 giving of proper security, stay the drilling or fracturing 44 of any well until a final decision on the appeal, and after 45

a final hearing, at which any competent and relevant evi-46 dence may be introduced, may set aside any action or 47 order of the department and enter such final order and **48** decree as in its judgment is just and right and will best 49 carry out the provisions of this article. From such final 50 51 orders and decrees of the circuit court an appeal may be taken to the supreme court of appeals. During vacation 52 periods or when for any reason the circuit court is not in 53 session, such proceedings shall be before the judge of such 54 court in vacation, or, in his absence, before the judge of 55 an adjoining circuit, who may act until the return of the 56 57 regular judge to his circuit, whereupon all further proceedings shall be had before the regular judge or circuit 58 court having initial jurisdiction therein, and all proceed-59 ings in vacation shall be of like force and effect as if be-60 61 fore the court in session.

Sec. 9. Plugging and Abandonment of Well; Notice of
Intention; Performance Bond Required; Affidavit Showing Time and Manner.—Prior to the abandonment of any
well, the well operator shall notify, by registered mail,
the department of mines and the coal operator or oper-

ators, if any, to whom notices are required to be given by 6 section two of this article and the coal operator or oper-7 ators to whom notices are required to be given by section 8 two-a of this article of its intention to plug and abandon 9 any such well (using such form of notice as the depart-10ment may provide), giving the number of the well and 11 its location and fixing the time at which the work of 12 plugging and filling will be commenced, which time shall 13 be not less than five days after the day on which such 14 notice so mailed is received or in due course should be 15 16 received by the department of mines, in order that a representative or representatives of the department and 17 the coal operator or operators, if any, or of both, may be 18 19 present at the plugging and filling of the well. Whether 20 such representatives appear or do not appear, the well 21 operator may proceed at the time fixed to plug and fill 22the well in the manner hereinafter described. Notwithstanding the foregoing, a well operator may proceed to 23 plug and fill a well at any time without giving the afore-24said notice of intention if such operator has first obtained 25in writing the approval of the department of mines and 26

27 the coal operator or operators, if any, to whom notices 28are required to be given by section two of this article and the coal operator or operators to whom notices are 29 required to be given by section two-a of this article. No 30 well shall be plugged or abandoned unless the depart-31 ment is furnished a bond of the operator in the sum of 32 33 one thousand dollars, payable to the state of West Virginia, with a corporate bonding and/or surety company 34 35 authorized to do business in this state as surety thereon, conditioned on full compliance with all laws, rules and 36 37 regulations relating to the casing, plugging and abandonment of wells and for furnishing such reports and in-38 39 formation as may be required by the department: Provided, That when a number of wells are involved, the 40 operator may in lieu of furnishing a separate bond furnish 41 42 a blanket bond in the sum of ten thousand dollars, payable to the state of West Virginia, with a corporate bond-43 ing and/or surety company authorized to do business in 44 this state as surety thereon, and conditioned as aforesaid: 45 46 Provided, however, That in lieu of corporate surety on a separate or blanket bond, as the case may be, the operator 47

may elect to deposit with the deputy director for oil and 48 49 gas cash and/or collateral securities as specified in sec-50 tion two of this article. All of the provisions of section two dealing with cash and/or collateral securities in lieu 51 52of corporate surety shall be fully applicable hereto except for the condition of the bond with respect to which the 53operator must be in full compliance in order to be entitled 54to the interest and income earned on such securities. The 55 operator shall be entitled to such interest and income 56 under this section so long as the operator is in full com-57 pliance with all laws, rules and regulations relating to 58 59 the casing, plugging and abandonment of wells and for 60 furnishing such reports and information as may be re-61 quired by the department. Any such bond shall remain in force until released by the department and the depart-62 ment shall release the same when it is satisfied the condi-63 tions thereof have been fully performed. Notwithstand-64 ing the foregoing provisions, any operator who, in ac-65 cordance with section two of this article, has furnished 66 a separate bond, which has not been released by the de-67 partment, for the drilling or fracturing of the well it is 68

now proposed be plugged and abandoned, or who, in 69 accordance with the provisions of said section two of this 7071article, has furnished a blanket bond which has not been 72released by the department shall not be required by this section nine to furnish any other bond. When the plugging 73 74 and filling of a well have been completed, an affidavit, in triplicate, shall be made (on a form to be furnished 7576 by the department) by two experienced men who participated in the work, in which affidavit shall be set forth 77 the time and manner in which the well was plugged and 78 79filled. One copy of this affidavit shall be retained by the 80 well operator, another (or true copies of same) shall be 81 mailed to the coal operator or operators, if any, and the third to the department of mines. 82

Sec. 14. Preventing Waste of Gas; Plans of Operation
Required; Rejection Thereof.—Natural gas shall not be
permitted to waste or escape from any well or pipe line,
when it is reasonably possible to prevent such waste,
after the owner or operator of such gas, or well, or pipe
line, has had a reasonable length of time to shut in such
gas in the well, or make the necessary repairs to such

well or pipe line to prevent such waste: Provided, That 8 (a) if, in the process of drilling a well for oil or gas, or 9 both, gas is found in such well, and the owner or oper-10 11 ator thereof desires to continue to search for oil or gas, or both, by drilling deeper in search of lower oil or gas-12bearing strata, or (b) if it becomes necessary to make 13 repairs to any well producing gas, commonly known as 14 15 "cleaning out," and if in either event it is necessary for 16 the gas in such well to escape therefrom during the 17 process of drilling or making repairs, as the case may be, 18 then the owner or operator of such well shall prosecute such drilling or repairs with reasonable diligence, so that 19 20the waste of gas from the well shall not continue longer than reasonably necessary, and if, during the progress of 21 22such deeper drilling or repairs, any temporary suspension 23thereof becomes necessary, the owner or operator of 24 such well shall use all reasonable means to shut in the gas and prevent its waste during such temporary suspension: 25Provided, however, That in all cases where both oil and 26 gas are found and produced from the same oil and gas-27bearing stratum, and where it is necessary for the gas 28

therefrom to waste in the process of producing the oil, 29 the owner or operator shall use all reasonable diligence 30to conserve and save from waste so much of such gas as 31 it is reasonably possible to save, but in no case shall 32 33 such gas from any well be wasted in the process of pro-34ducing oil therefrom until the owner or operator of such 35 well shall have filed with the department a plan of opera-36 tion for said well showing, among other things, the gas-37 oil production ratio involved in such operation, which plan shall govern the operation of said well unless the 38 department shall, within ten days from the date on which 39 such plan is submitted to the department, make a finding 40 that such plan fails, under all the facts and circumstances, 41 42 to propose the exercise of all reasonable diligence to con-43 serve and save from waste so much of such gas as it is reasonably possible to save, in which event production of 44 45 oil at such well by the wasting of gas shall cease and 46 determine until a plan of operation is approved by the 47 department. Successive plans of operation may be filed 48 by the owner or operator of any such well with the de-49 partment.

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Sec. 1-a. Deputy Director for Oil and Gas; Appointment; Powers and Duties.-There shall be an employee 2 3 of the department whose title shall be "deputy for oil and 4 gas," who shall be appointed by the director to serve at the will and pleasure of the director. The deputy director 5 for oil and gas shall have full charge of the oil and gas 6 matters set out in this article and in articles five and seven 7 8 of this chapter, subject always to the direct supervision and control of the director of the department of mines. 9 10 As such, the deputy director for oil and gas shall have the power and duty to: 11

12 (1) Supervise and direct the execution and enforce13 ment of the provisions of this article and articles five and
14 seven of this chapter;

15 (2) Employ a supervising oil and gas inspector and 16 not more than eight district oil and gas inspectors upon 17 approval by the director, such clerks, stenographers and 18 other employees as may be approved by the director, at 19 compensation fixed by the director, except as otherwise 20 provided in this article;

21 (3) Supervise and direct such oil and gas inspectors and

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22supervising inspector in the performance of their duties; 23(4) Suspend for good cause any oil and gas inspector or supervising inspector without compensation for a pe- $\mathbf{24}$ 25riod not exceeding thirty days in any calendar year; (5) Prepare report forms to be used by oil and gas 2627 inspectors or the supervising inspector in making their findings, orders and notices, upon inspections made in 28 29 accordance with this chapter;

30 (6) Hear and determine applications made by owners,
31 well operators, and coal operators for the annulment or
32 revision of orders made by oil and gas inspectors or the
33 supervising inspector, and to make inspections, in accord34 ance with the provisions of this article and articles five
35 and seven of this chapter;

36 (7) Cause a properly indexed permanent and public
37 record to be kept of all inspections made by himself or by
38 oil and gas inspectors or the supervising inspector;

39 (8) Make annually a full and complete written report
40 to the director of the department of mines in such form
41 and detail as the director may from time to time request,
42 so that the director can complete the preparation of the

43 director's annual report to the governor of the state; 44 (9) Conduct such research and studies as the director 45 shall deem necessary to aid in protecting the health and safety of persons employed within or at potential or 46 47 existing oil or gas production fields within this state, to improve drilling and production methods and to provide 48 for the more efficient protection and preservation of oil 49 50 and gas bearing rock strata and property used in connection therewith; 51

(10) Perform all other duties which are expressly imposed upon him by the provisions of this chapter, as well
as duties assigned to him by the director of the department of mines.

All records of the department shall be open to the pub-lic.

Sec. 1-b. Same; Eligibility; Salary; Expenses; Oath and Bond.—The deputy director for oil and gas shall be a citizen of West Virginia, shall be a competent person of good reputation and temperate habits and shall have had at least ten years' practical experience in the oil and gas industry, at least five of which shall have been in this

state. A diploma in geology or in mining or petroleum 7 engineering from West Virginia University, or any simi-8 larly accredited school shall be counted as two years' prac-9 10 tical experience. The deputy director for oil and gas shall devote all of his time to the duties of his office, and shall 11 not be directly or indirectly interested financially in any 12 13 oil and/or gas production or drilling or in any coal mine in this state. The salary of the deputy director for oil 14 and gas shall be not less than seven thousand five hundred 15 16 dollars nor more than ten thousand dollars per year, and traveling expenses, which shall be paid out of the state 17 treasury upon a requisition upon the state auditor, prop-18 erly certified by the director of the department of mines. 19 20 The deputy director for oil and gas shall, before entering upon the discharge of his duties, take the oath of 21 22office prescribed by section five, article four of the Con-23stitution, and shall execute a bond in the penalty of two 24 thousand dollars, with security to be approved by the 25 director of the department of mines, conditioned upon the faithful discharge of his duties, a certificate of which oath 26and which bond shall be filed in the office of the secretary 27 of state. 28

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Sec. 1-c. Oil and Gas Inspectors; Supervising Inspector; Tenure; Oath and Bond. - Notwithstanding any 2 other provisions of law, oil and gas inspectors shall be 3 4 selected, serve and be removed as in this article provided. The deputy director for oil and gas shall divide the 5 state into not more than eight oil and gas districts, so as 6 to equalize, as far as practical, the work of each oil and 7 8 gas inspector. He shall assign inspectors to districts, and designate a supervising inspector and shall designate their 9 10 places of abode, at points convenient to the accomplishment of their work. In the event the oil and gas in-11 spectors' examining board is unable to provide an ade-12 quate register of certified eligible candidates for appoint-13 ment prior to the first day of July, one thousand nine 14 hundred sixty-three, the appointment of the supervising 15 inspector and other inspectors shall be deferred until an 16 adequate register is available: Provided, That notwith-17standing any other provisions contained in this article, 18 19 those persons serving as oil and gas inspectors on the effective date of this act may be appointed as oil and gas 20inspectors with permanent tenure if such persons pass 21

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the examinations conducted by the oil and gas inspectors'
examining board in accordance with the provisions of
sections one-d and one-e.

All other oil and gas inspectors, including the supervising inspector, shall be appointed from the names on such register. Each original appointment shall be made by the deputy director for oil and gas, and shall be approved by the director of the department of mines, for a probationary period of not more than one year.

31 The deputy director for oil and gas shall make each 32appointment from among the three qualified eligible can-33 didates on the register having the highest grades: Provided, however, That the director of the department of 3435 mines or the deputy director for oil and gas may, for good 36 cause, at least thirty days prior to making an appoint-37ment, strike any name from the register. Upon striking any name from the register, the director or deputy di-38 39 rector, as the case may be, shall immediately notify in writing each member of the oil and gas inspectors' exam-40 ining board of his action, together with a detailed state-41 42 ment of the reasons therefor. Thereafter, the oil and gas 43 inspectors' examining board, after hearing, if it finds that
44 the action of striking such name was arbitrary or unrea45 sonable, may order the name of any candidate so stricken
46 from the register to be reinstated thereon. Such rein47 statement shall be effective from the date of removal from
48 the register.

Any candidate passed over for appointment for three 49 years shall be automatically stricken from the register. 50After having served for a probationary period of one 51year to the satisfaction of the deputy director for oil and 5253 gas and the director, an oil and gas inspector or super-54 vising inspector shall have permanent tenure until he be-55 comes seventy years of age, subject only to dismissal for cause in accordance with the provisions of section one-d 56 of this article. No oil and gas inspector or supervising 57 58 inspector while in office shall be directly or indirectly interested as owner, lessor, operator, stockholder, superin-59tendent or engineer of any oil and/or gas drilling or pro-60 61 ducing venture or of any coal mine in this state. Before 62entering upon the discharge of his duties as an oil and gas inspector or supervising inspector, he shall take the oath 63

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of office prescribed by the Constitution, and shall execute a bond in the penalty of two thousand dollars, with security to be approved by the director of the department of mines, conditioned upon the faithful discharge of his duties, a certificate of which oath and bond shall be filed in the office of the secretary of state.

The supervising inspector and oil and gas inspectors shall perform such duties as are imposed upon them by this chapter, and related duties assigned by the deputy director for oil and gas upon approval of the director.

Sec. 1-d. Same; Eligibility for Appointment; Qualifications; Salary; Expenses; Removal.—(a) No person shall 2 3 be eligible for appointment as an oil and gas inspector or supervising inspector unless, at the time of his pro-4 bationary appointment he (1) is a citizen of West Vir-5 ginia, in good health, and of good character, reputation 6 7 and temperate habits; (2) has had at least ten years' practical experience in the oil and gas industry, at least 8 five years of which, immediately preceding his original 9 appointment shall have been in the oil and gas industry 10 in this state: Provided, That a diploma in geology or in 11

12 mining or petroleum engineering from West Virginia 13 University, or any similarly accredited school shall be 14 considered the equivalent of two years' practical experi-15 ence; and (3) has good theoretical and practical knowl-16 edge of oil and gas drilling and production methods, prac-17 tices and techniques, sound safety practices and applica-18 ble mining laws.

(b) In order to qualify for appointment as an oil and 19 gas inspector or supervising inspector, an eligible applicant 20 shall submit to a written and oral examination by the oil 2122and gas inspectors' examining board and shall furnish such evidence of good health, character and other facts 2324establishing eligibility as such board may require. If such board finds after investigation and examination that 2526 an applicant: (1) is eligible for appointment and (2) has 27 passed all written and oral examinations, the board shall 28add such applicant's name and grade to the register of 29 qualified eligible candidates and certify its action to the deputy director for oil and gas. No candidate's name 30 shall remain on the register for more than three years 31without requalifying. 32

(c) The salary of the supervising inspector shall be 33 34 not less than five thousand four hundred dollars per 35 annum, nor more than eight thousand dollars per annum, 36 and reasonable traveling expenses. Salaries of inspectors shall not be less than five thousand four hundred dollars 37 38 per annum, nor more than seven thousand dollars per annum, and reasonable traveling expenses. Within the 39 limits provided by law, the salary of each inspector and 40 41 of the supervising inspector shall be fixed by the deputy 42 director for oil and gas, subject to the approval of the 43 director of the department of mines and oil and gas in-44 spectors' examining board. In fixing salaries of the oil 45 and gas inspectors and of the supervising inspector, the 46 deputy director for oil and gas shall consider ability, performance of duty, and experience. No reimbursement for 47 48 traveling expenses shall be made except upon an item-49 ized account of such expenses submitted by the inspector or supervising inspector, as the case may be, who shall 50 51 verify, upon oath, that such expenses were actually incurred in the discharge of his official duties. 52

53 (d) An inspector or the supervising inspector, after

having received a permanent appointment, shall be removed from office only for physical or mental impairment, incompetency, neglect of duty, drunkenness, malfeasance in office, or other good cause.

58 Proceedings for the removal of an oil and gas inspector 59 or the supervising inspector may be initiated by the 60 deputy director for oil and gas or the director of the department of mines whenever either has reasonable 61 62 grounds to believe and does believe that adequate cause 63 exists warranting removal. Such a proceeding shall be 64 initiated by a verified petition, filed with the oil and gas 65 inspectors' examining board by the deputy director for 66 oil and gas or the director, setting forth with particu-67 larity the facts alleged. Not less than twenty reputable 68 citizens engaged in oil and/or gas drilling and produc-69 tion operations in the state may petition the deputy di-70 rector for oil and gas or the director of the department of 71mines for the removal of an inspector or the supervising inspector. If such petition is verified by at least one of 7273 the petitioners, based on actual knowledge of the affiant, and alleges facts which, if true, warrant the removal of 74

the inspector or supervising inspector, the deputy direc-75 76 tor for oil and gas or the director of the department of mines shall cause an investigation of the facts to be made. 77 If, after such investigation, the deputy director for oil 78 79 and gas or the director finds that there is substantial evi-80 dence which, if true, warrants removal of the inspector 81 or supervising inspector, he shall file a petition with the 82 oil and gas inspectors' examining board requesting re-83 moval of the inspector or supervising inspector.

84 On receipt of a petition by the deputy director for oil 85 and gas or by the director of the department of mines 86 seeking removal of an inspector or the supervising inspector, the oil and gas inspectors' examining board shall 87 88 promptly notify the inspector or supervising inspector, as the case may be, to appear before it at a time and place 89 90 designated in said notice, which time shall be not less 91 than fifteen days nor more than thirty days thereafter. 92 There shall be attached to the copy of the notice served upon the inspector or supervising inspector a copy of the 93 94 petition filed with such board.

95 At the time and place designated in said notice, the

96 oil and gas inspectors' examining board shall hear all
97 evidence offered in support of the petition and on behalf
98 of the inspector or supervising inspector. Each witness
99 shall be sworn and a transcript shall be made of all
100 evidence taken and proceedings had at any such hearing.
101 No continuance shall be granted except for good cause
102 shown.

103 The chairman of the board, the deputy director for oil 104 and gas, and the director of the department of mines 105 shall have power to administer oaths and subpoena wit-106 nesses.

107 Any inspector or supervising inspector who shall wilfully refuse or fail to appear before such board, or having 108 109 appeared, shall refuse to answer under oath any relevant 110 question on the ground that his testimony or answer 111 might incriminate him, or shall refuse to accept a grant 112of immunity from prosecution on account of any relevant matter about which he may be asked to testify at such 113hearing before such board, shall forfeit his position. 114

115 If, after hearing, the oil and gas inspectors' examining116 board finds that the inspector or supervising inspector

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117 should be removed, it shall enter an order to that effect.118 The decision of the board shall be final and shall not be119 subject to judicial review.

Sec. 1-e. Oil and Gas Inspectors' Examining Board; 2 Per Diem and Mileage Allowance; Oath; Powers and Duties; Appeals from Suspension Orders.-There is 3 hereby created an oil and gas inspectors' examining board 4 consisting of five members who, except for the public rep-5 resentative on such board, shall be appointed by the gov-6 ernor, by and with the advice and consent of the senate. 7 Members may be removed only for the same causes and 8 9 like manner as elective state officers. One member of the 10 board, who shall be the representative of the public, shall 11 be the professor in charge of the petroleum engineering 12department of the school of mines at West Virginia Uni-13 versity; two members shall be persons who by reason of 14 previous training and experience may reasonably be said to 15 represent the viewpoint of independent oil and gas opera-16 tors; and two members shall be persons who by reason of 17 previous training and experience may reasonably be said to 18 represent the viewpoint of major oil and gas producers.

19 The deputy director for oil and gas shall be an "ex 20 officio" member of the board, and shall serve as secretary 21 of the board without additional compensation, but he shall 22 have no right to vote with respect to any matter before the 23 board.

The members of the board, except the public representative, shall be appointed for overlapping terms of eight years, except that the original appointments shall be for terms of two, four, six, and eight years, respectively. Any member whose term expires may be reappointed by the governor.

30 Each member of the board shall receive forty dollars 31 per diem while actually engaged in the performance of 32 the work of the board; and shall receive mileage at the 33 rate of ten cents for each mile actually traveled going from the home of the member to the place of the meeting 34 35 of the board and returning therefrom, which shall be paid 36 out of the state treasury upon a requisition upon the state auditor, properly certified by such members of the board. 37 38 The public member shall serve as chairman of the board. 39 Members of the board, before performing any duty shall

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40 take and subscribe to the oath required by article four,41 section five of the Constitution of West Virginia.

The board shall meet at such times and places as shall be 42 designated by the chairman. It shall be the duty of the 43chairman to call a meeting of the board on the written 44 45 request of two members, or on the written request of the 46 deputy director for oil and gas or the director of the de-47 partment of mines. Notice of each meeting shall be given 48 in writing to each member by the secretary at least five days in advance of the meeting. Three voting members 49 50shall constitute a quorum for the transaction of business. In addition to other powers and duties expressly set 51 52forth elsewhere in this article, the board shall:

(1) Establish, and from time to time revise, forms of
application for employment as an oil and gas inspector
and supervising inspector and forms for written examinations to test the qualifications of candidates, with such
distinctions, if any, in the forms for oil and gas inspector
and supervising inspector as the board may from time
to time deem necessary or advisable;

60 (2) Adopt and promulgate reasonable rules and regu-

61 lations relating to the examination, qualification and cer-62 tification of candidates for appointment, and relating to 63 hearings for removal of inspectors or the supervising 64 inspector, required to be held by this article. All of such 65 rules and regulations shall be printed and a copy thereof 66 furnished by the secretary of the board to any person upon 67 request;

(3) Conduct, after public notice of the time and place
thereof, examinations of candidates for appointment. By
unanimous agreement of all members of the board, one
or more members of the board or an employee of the
department of mines may be designated to give to a candidate the written portion of the examination;

74 (4) Prepare and certify to the deputy director for oil 75 and gas and the director of the department of mines a 76 register of qualified eligible candidates for appointment 77 as oil and gas inspectors or as supervising inspectors, with such differentiation, if any, between the certification of 78 candidates for oil and gas inspectors and for supervising 79 inspector as the board may from time to time deem neces-80 sary or advisable. The register shall list all qualified eli-81

gible candidates in the order of their grades, the candidate 82 83 with the highest grade appearing at the top of the list. 84 After each meeting of the board held to examine such 85 candidates and at least annually, the board shall prepare 86 and submit to the deputy director for oil and gas and the 87 director of the department of mines a revised and cor-88 rected register of qualified eligible candidates for appoint-89 ment, deleting from such revised register all persons (a) **9**0 who are no longer residents of West Virginia, (b) who 91 have allowed a calendar year to expire without, in writ-92 ing, indicating their continued availability for such ap-93 pointment, (c) who have been passed over for appoint-94 ment for three years, (d) who have become ineligible for 95 appointment since the board originally certified that such persons were qualified and eligible for appointment, or 96 97 (e) who, in the judgment of at least three members of 98 the board, should be removed from the register for good 99 cause;

(5) Cause the secretary of the board to keep and preserve the written examination papers, manuscripts, grading sheets and other papers of all applicants for appoint-

103 ment for such period of time as may be established by the
104 board. Specimens of the examinations given, together
105 with the correct solution of each question, shall be pre106 served permanently by the secretary of the board;
107 (6) Issue a letter or written notice of qualification to
108 each successful eligible candidate;

109 (7) Hear and determine proceedings for the removal
110 of inspectors or the supervising inspector in accordance
111 with the provisions of this article;

112 (8) Hear and determine appeals of inspectors or the supervising inspector from suspension orders made by the 113 114 deputy director for oil and gas pursuant to the provisions of section one-a of this article: Provided, That in order to 115 116 appeal from any order of suspension, an aggrieved inspector or supervising inspector shall file such appeal in writ-117 118 ing with the oil and gas inspectors' examining board not 119 later than ten days after receipt of the notice of suspen-120 sion. On such appeal the board shall affirm the action of 121 the deputy director for oil and gas unless it be satisfied 122 from a clear preponderance of the evidence that the 123deputy director for oil and gas has acted arbitrarily;

(9) Make an annual report to the governor concerning
the administration of oil and gas inspection personnel in
the state service; making such recommendations as the
board considers to be in the public interest.

Sec. 1-f. Deputy Director for Oil and Gas, Oil and Gas 2 **Inspectors and Supervising Inspector Authorized to Visit** and Inspect Oil and/or Gas Wells or Well Sites and Any 3 4 Other Oil and/or Gas Facilities; Duty of Oil and Gas Inspectors to Visit and Inspect Oil and/or Gas Wells or 5 Well Sites and Any Other Oil and/or Gas Facilities.-The 6 deputy director for oil and gas of the department of mines 7 shall have authority to visit and inspect any oil and/or 8 gas well or well site and any other oil and/or gas facility 9 in this state and may call for the assistance of any oil and 10 gas inspector or inspectors or supervising inspector when-11 ever such assistance is necessary in the inspection of any 12such oil and/or gas well or well site or any other oil and/ 1314 or gas facility. Similarly, all oil and gas inspectors and 15 the supervising inspector shall have authority to visit 16 and inspect any oil and/or gas well or well site and any 17 other oil and/or gas facility in this state. The operator or

18 owner of every oil and/or gas well or well site or any 19 other oil and/or gas facility shall cooperate with the dep-20 uty director for oil and gas, all oil and gas inspectors and 21 the supervising inspector in making inspections or ob-22 taining information.

Oil and gas inspectors shall devote their full time and undivided attention to the performance of their duties, and they shall be responsible for the inspection of all oil and/or gas wells or well sites or other oil and/or gas facilities in their respective districts as often as may be required in the performance of their duties.

Sec. 1-g. Findings and Orders of Oil and Gas Inspec-2 tors; Special Inspections; Notice of Findings and Orders. 3 -(a) If an oil and gas inspector, upon making an inspection of an oil and/or gas well or well site or any other oil 4 5 and/or gas facility, as authorized by this article, finds that any provision of this article is being violated, he shall 6 determine what would be a reasonable period of time 7 8 within which such violation should be totally abated. 9 Such findings shall contain reference to the provisions of 10 this article which he finds are being violated, and a de-

11 tailed description of the conditions which cause and con-12 stitute such violation.

(b) The period of time so found by such oil and gas in-13 14 spector to be a reasonable period of time may be extended 15 by such inspector, or by any other oil and gas inspector 16 duly authorized by the deputy director for oil and gas, from time to time, but on not more than three occasions, 17 upon the making of a special inspection to ascertain 18 whether or not such violation has been totally abated. 19 20 The deputy director for oil and gas shall cause a special 21 inspection to be made: (A) Whenever an operator of an 22oil and/or gas well or well site or any other oil and/or 23gas facility, prior to the expiration of any such period of 24 time, requests him to cause a special inspection to be made at such oil and/or gas well or well site or any other oil 25 26 and/or gas facility; and (B) Upon expiration of such 27 period of time as originally fixed or as extended, unless 28 the deputy director for oil and gas is satisfied that the violation has been abated. Upon making such special in-29 30spection, such oil and gas inspector shall determine wheth-31 er or not such violation has been totally abated. If he

32 determines that such violation has not been totally abated, 33 he shall determine whether or not such period of time as originally fixed, or as so fixed and extended, should be 34 35 extended. If he determines that such period of time 36 should be extended, he shall determine what a reasonable 37 extension would be. If he determines that such violation 38 has not been totally abated, and if such period of time as 39 originally fixed, or as so fixed and extended, has then ex-**4**0 pired, and if he also determines that such period of time 41 should not be further extended, he shall thereupon make 42 an order requiring the operator of such oil and/or gas well 43 or well site or other oil and/or gas facility to cease fur-44 ther operations of such well, well site or facility, as the 45 case may be. Such findings and order shall contain refer-46 ence to the specific provisions of this article which are 47 being violated.

(c) Notice of each finding and order made under this
section shall promptly be given to the operator of the oil
and/or gas well or well site or other oil and/or gas facility to which it pertains, by the person making such
finding or order.

53 (d) No order shall be issued under the authority of54 this section which is not expressly authorized herein.

Sec. 1-h. Review of Findings and Orders by Deputy 2 Director for Oil and Gas; Special Inspectors; Annulment, Revision, etc., of Order; Notice.-Any operator of an oil 3 and/or gas well or well site or other oil and/or gas facility 4 notified of findings or an order made by an oil and gas in-5 6 spector pursuant to section one-g of this article, may apply to the deputy director for oil and gas for annulment 7 8 or revision of such order. Upon receipt of such application the deputy director for oil and gas shall make a 9 10 special inspection of the oil and/or gas well, well site or other oil and/or gas facility affected by such order, or 11 12 cause two duly authorized oil and gas inspectors, other than the oil and gas inspector who made such order or 13 the supervising inspector and one duly authorized oil and 14 gas inspector other than the oil and gas inspector who 15 16 made such order, to make such inspection of such oil 17 and/or gas well, or well site or other oil and/or gas facility and to report thereon to him. Upon making such 18 special inspection himself, or upon receiving the report 19

of such special inspection, as the case may be, the deputy
director for oil and gas shall make an order which shall
include his findings and shall annul, revise or affirm the
order of the oil and gas inspector.

The deputy director for oil and gas shall cause notice of each finding and order made under this section to be given promptly to the operator of the oil and/or gas well, well site or other oil and/or gas facility to which such findings and order pertain.

29 At any time while an order made pursuant to section 30 one-g of this article is in effect, the operator of the oil and/or gas well, well site or other oil and/or gas facility 31 affected by such order may apply to the deputy director 32 for oil and gas for annulment or revision of such order. 33 The deputy director for oil and gas shall thereupon pro-34 35 ceed to act upon such application in the manner provided 36 in this section.

37 In view of the urgent need for prompt decision of 38 matters submitted to the deputy director for oil and gas 39 under this article, all actions which he, or oil and gas 40 inspectors, or the supervising inspector, is required to

41 take under this article, shall be taken as rapidly as prac42 ticable, consistent with adequate consideration of the
43 issues involved.

Sec. 1-i. Requirements for Findings, Orders and Notices;
Posting of Findings and Orders.—(a) All findings and
orders made pursuant to sections one-g or one-h of this
article, and all notices required to be given of the making
of such findings and orders, shall be in writing. All such
findings and orders shall be signed by the person making
them, and all such notices shall be signed by the person
charged with the duty of giving the notice. All such
notices shall contain a copy of the findings and orders
10 referred to therein.

11 (b) Notice of any finding or order required by sec-12 tions one-g or one-h of this article to be given to an 13 operator shall be given by causing such notice, addressed 14 to the operator of the oil and/or gas well, well site or 15 other oil and/or gas facility to which such finding or order 16 pertains, to be delivered to such operator by causing a 17 copy thereof to be sent by registered mail to the perma-18 nent address of such operator as filed with the depart-

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19 ment of mines and by causing a copy thereof to be posted 20upon the drilling rig or other equipment at the oil and/or 21gas well, well site or other oil and/or gas facility, as the 22case may be. The requirement of this article that a 23notice shall be "addressed to the operator of the oil and/or gas well, well site or other oil and/or gas facility to which 24 25such finding or other pertains," shall not require that 26 the name of the operator for whom it is intended shall be specifically set out in such address. Addressing such 27notice to "Operator of _____," specifying the 28 29 oil and/or gas well, well site or other oil and/or gas facility sufficiently to identify it, shall satisfy such re-30 31 quirement.

Sec. 1-j. Judicial Review of Final Orders of the Deputy Director for Oil and Gas.—(a) Any final order issued by the deputy director for oil and gas under section one-h of this article shall be subject to judicial review by the circuit court of the county in which the oil and/or gas well, well site or other oil and/or gas facility affected is located or the circuit court of Kanawha county upon the filing in such court or with the judge thereof in vacation,

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9 of a petition for appeal by the operator aggrieved by 10 such final order, within thirty days from the date of the 11 making of such final order.

(b) The operator making such appeal shall forthwith 12send a copy of such petition for appeal, by registered 13 14 mail, to the deputy director for oil and gas. Upon receipt of such copy of such petition for appeal the deputy di-15 rector for oil and gas shall promptly certify and file in 16 17 such court a complete transcript of the record upon which the order complained of was made. The costs of such 18 19 transcriptions shall be paid by the party making the 20 appeal.

(c) The court sitting in lieu of a jury, or judge thereof in vacation, shall, after due notice, conduct a hearing on the issues presented by such appeal and shall permit argument, oral or written or both, by the parties. The court shall permit such pleadings, in addition to the pleadings before the deputy director for oil and gas, as r it deems to be required. Evidence relating to the making of the order complained of and relating to the questions raised by the allegations of the pleadings or other ques30 tions pertinent in the proceeding may be offered by the 31 parties to the proceeding.

32(d) Upon such conditions as may be required and to the extent necessary to prevent irreparable injury, any 33 34circuit court to which an appeal has been made as provided in this section, may, after due notice to and hear-35 ing of the parties to the appeal, issue all necessary and 36 37 appropriate process to postpone the effective date of the 38 final order of the deputy director for oil and gas or to grant such other relief as may be appropriate pending 39 40 final determination.

41 (e) A circuit court to which an appeal has been made
42 as provided in this section, may affirm, annul or revise
43 the final order of the deputy director for oil and gas, or it
44 may remand the proceeding to the deputy director for oil
45 and gas for such further action as it directs.

46 (f) The decision of a circuit court on an appeal from
47 the deputy director for oil and gas shall be final, subject
48 only to review by the supreme court of appeals of West
49 Virginia upon a petition for certiorari filed in such court
50 within sixty days from the entry of the order and decision

51 of the circuit court upon such appeal from the deputy di-52 rector for oil and gas.

Sec. 2-a. Notice to Coal Operators and Department of 2 Mines of Intention to Fracture Certain Other Wells; Con-3 tents of Such Notice; Permit Required.—Before fracturing 4 any oil and/or gas well originally drilled on and after the fifth day of June, one thousand nine hundred twenty-5 6 nine, and before the effective date of this act, and which is located on any tract of land known to be underlaid 7 with one or more workable beds of coal, the well operator 8 shall, by registered mail, forward a notice of intention 9 10 to fracture such well to the department of mines and to 11 each and every coal operator operating said beds of coal beneath said tract of land, or within five hundred feet of 12 13the boundaries of the same, who has mapped the same and filed his maps as required by law: Provided, That 14 15 nothing contained in this article shall under any circum-16 stances be construed to require any well operator to give a notice of intention to fracture, or to obtain a permit to 17 18 fracture, a well drilled on and after the effective date of this article. The notice shall be addressed to the de-19

partment of mines and to each such coal operator at their 20 respective addresses, shall contain the number of the 21 22 drilling permit for such well and/or such other information as may be required by the department to enable the $\mathbf{23}$ 24 department and the coal operators to locate and identify such well and shall inform them that such notice is 25being mailed to them respectively by registered mail, 26 27 pursuant to the requirements of this article. (The 28 form for such notice of intention shall be furnished on request by the department of mines.) If no objections 29 are made, or are found by the department, to such pro-30 posed fracturing within ten days from receipt of such 31 32 notice by the department of mines, the same shall be filed 33 and become a permanent record of such fracturing, 34 subject to inspection at any time by any interested per-35 son, and the department shall forthwith issue to the well 36 operator a permit reciting the filing of such notice, that no objections have been made by the coal operators, or 37 found thereto by the department, and authorizing the 38 well operator to fracture such well: Provided, however, 39 **4**0 That unless the department has objections to such pro-

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41 posed fracturing, such permit shall be issued prior to the 42 expiration of such ten day period upon the obtaining by 43 the well operator of the consent in writing of the coal 44 operator or operators to whom notice of intention to frac-45 ture shall have been mailed as herein required, and upon 46 presentation of such written consent to the department. 47 The notice above provided for may be given to the coal 48 operator by delivering or mailing it as above to any agent 49 or superintendent in actual charge of mines.

Sec. 18. Injunctive Relief .- In addition to all other remedies, and aside from various penalties provided by 2 law, if any person, firm or corporation is violating or 3 threatening to violate any provision of this article, or any 4 lawful rule or regulation promulgated thereunder, the 5 6 department may maintain a civil action in the circuit court of the county wherein such violation has occurred 7 8 or is threatened, or wherein such person, firm or corporation may be found, to enjoin, restrain or prevent such 9 10 actual or threatened violation. No injunction bond shall be required to be filed in any such proceeding. 11

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled

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 O. Roy Paske
Chairman Senate Committee
thee L. (raudall)
Chairman House Committee

Originated in the Senate.

Takes effect J u / 4 / 4 / 6 3 passage. men Teyde, Clerk of the Senate ABlank ense Clerk of the House of Delegates Howan & Carron President of the Senate P Speaker House of Delegates

The within	app	roved this	the	11th
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Onarch , 1963.

Governor

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