WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1977

ENROLLED

Committee Sabstitute for

HOUSE BILL No. 1745

(By Mr. Sattes)

PASSED April 8, 1977 In Effect <u>ninety days from</u> Passage C-641

ENROLLED

COMMITTEE SUBSTITUTE

FOR

H. B. 1745

(By MR. SATTES)

(Originating in the House Committee on the Judiciary)

[Passed April 8, 1977; in effect ninety days from passage.]

AN ACT to amend and reenact sections one, one-f, one-g, one-h, one-j, one-k, two, two-a, two-b, three, three-a, four, four-a, nine, ten, twelve, thirteen and eighteen, article four, chapter twenty-two of the code of West Virginia, one thousand nine hundred thirty-one, as amended; to further amend said article by adding thereto two new sections, designated sections eight-b and twenty, redefining certain terms; right to request inspection for violations; findings and orders of inspectors; rights of persons to seek review of findings; judicial review of final orders of deputy director; information required on permit applications; drilling notice to coal operators and others; bond requirements; notice to coal operators and others of intent to fracture; notice to coal operators and others regarding introduction of liquids or wastes into wells; objections to proposed drilling or fracturing; objections to proposed drilling or converting for introducing liquids or wastes into wells; appeal from order of issuance or refusal of permit to drill or fracture; appeal from order of issuance or refusal of permit for drilling

location for introduction of liquids or waste or from conditions of converting; filing of well log with department of mines; notice to coal operators and others of intent to plug or abandon wells; methods of plugging wells; appeals from final decision of department of mines; rules and regulations by and hearing before department of mines; injunctive relief; declaration of oil and gas notice by owners and lessees of coal seams.

Be it enacted by the Legislature of West Virginia:

That sections one, one-f, one-g, one-h, one-j, one-k, two, two-a, two-b, three, three-a, four, four-a, nine, ten, twelve, thirteen and eighteen, 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 be further amended by adding thereto two new sections, designated sections eight-b and twenty, all to read as follows:

ARTICLE 4. OIL AND GAS WELLS.

§22-4-1. Definitions.

1 Unless the context in which used clearly requires a different 2 meaning, as used in this article:

3 (a) "Deputy director" means the deputy director for oil4 and gas;

5 (b) "Well" means any shaft or hole sunk, drilled, bored or dug unto the earth or into underground strata for the 6 7 extraction or injection or placement of any liquid or gas, or any shaft or hole sunk or used in conjunction with such 8 9 extraction or injection or placement. The term "well" does not include any shaft or hole sunk, drilled, bored or dug 10 into the earth for the sole purpose of core drilling or 11 pumping or extracting therefrom potable, fresh or usable 12 13 water for household, domestic, industrial, agricultural or 14 public use;

(c) "Facility" means 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 this chapter, other
than a well or well site;

19 (d) "Owner" when used with reference to any such well,

shall include any person or persons, firm, partnership, partnership association or corporation that owns, manages, operates, controls or possesses such well as principals, or as lessee
or contractor, employee or agent of such principal;

24 (e) "Well operator" or "operator" person or person, firm, 25 partnership, partnership association or corporation that pro-26 poses to or does locate, drill, operate or abandon any well 27 as herein defined;

(f) "Chief" means chief of the division of water resourcesof the department of natural resources;

30 (g) "Coal operator" means any person or persons, firm,
31 partnership, partnership association or corporation that pro32 poses to or does operate a coal mine;

(h) "Department" or "department of mines" means the
duly constituted authorities under the laws of this state having
jurisdiction over coal mining operations;

36 (i) "Plat" means a map, drawing or print showing the37 location of a well or wells as herein defined;

(j) "Casing" means a string or strings of pipe commonlyplaced in wells drilled for natural gas or petroleum or both;

40 (k) "Oil" means natural crude oil or petroleum and other 41 hydrocarbons, regardless of gravity, which are produced at 42 the well in liquid form by ordinary production methods and 43 which are not the result of condensation of gas after it leaves 44 the underground reservoirs;

45 (1) "Gas" means all natural gas and all other fluid hydro-46 carbons not defined as oil in subdivision (k) of this section;

47 (m) "Cement" means hydraulic cement properly mixed 48 with water only;

(n) "Coal seam" or "workable coal bed" are interchangeable
terms and mean any seam of coal twenty inches or more in
thickness, unless a seam of less thickness is being commercially worked, or can in the judgment of the department foreseeably be commercially worked and will require protection if
wells are drilled through it;

(o) "Stimulate" means any action taken by any well
operator to increase oil or gas production from any oil or
gas well, including fracturing, shooting or acidizing, but
excluding cleaning out or bailing operations.

§22-4-1f. Authority and duty of deputy director and inspectors to visit and inspect wells and facilities; inspectors to devote full time to duties.

1 The deputy director for oil and gas of the department of 2 mines shall have authority to visit and inspect any well or well 3 site and any other oil or gas facility in this state and may call 4 for the assistance of any oil and gas inspector or inspectors or supervising inspector whenever such assistance is necessary in 5 the inspection of any such well or well site or any other oil 6 or gas facility. Similarly, all oil and gas inspectors and the 7 supervising inspector shall have authority to visit and inspect 8 9 any well or well site and any other oil or gas facility in this 10 state. Any well operator, coal operator operating coal seams beneath the tract of land, or the coal seam owner or lessee, if 11 12 any, if said owner or lessee is not yet operating said coal seams 13 beneath said tract of land may request the deputy director to have an immediate inspection made. The operator or owner of 14 15 every well or well site or any other oil or gas facility shall co-16 operate with the deputy director for oil and gas, all oil and 17 gas inspectors and the supervising inspector in making inspec-18 tions or obtaining information.

19 Oil and gas inspectors shall devote their full time and un-20 divided attention to the performance of their duties, and they 21 shall be responsible for the inspection of all wells or well sites 22 or other oil or gas facilities in their respective districts as often 23 as may be required in the performance of their duties.

§22-4-1g. Findings and orders of inspectors concerning violations; determination of reasonable time for abatement; extensions of time for abatement; special inspections; notice of findings and orders.

(a) If an oil and gas inspector, upon making an inspection
 of a well or well site or any other oil or gas facility, finds that
 any provision of this article is being violated, he shall also
 find whether or not an imminent danger to persons engaged in

5 active coal mining exists. If he finds that such imminent danger 6 exists, he shall forthwith make an order requiring the operator 7 of such well or well site or other oil or gas facility to cease 8 further operations until such imminent danger has been abated. 9 If he finds that no such imminent danger exists, he shall de-10 termine what would be a reasonable period of time within 11 which such violation should be totally abated. Such findings 12 shall contain reference to the provisions of this article which 13 he finds are being violated, and a detailed description of the 14 conditions which cause and constitute such violation.

15 (b) The period of time so found by such oil and gas in-16 spector to be a reasonable period of time may be extended by 17 such inspector, or by any other oil and gas inspector duly 18 authorized by the deputy director for oil and gas, from time 19 to time, but on not more than three occasions, upon the making 20 of a special inspection to ascertain whether or not such viola-21 tion has been totally abated. The deputy director for oil and 22 gas shall cause a special inspection to be made: (A) Whenever 23 an operator of a well or well site or any other oil or gas facil-24 ity, prior to the expiration of any such period of time, requests 25 him to cause a special inspection to be made at such well or 26 well site or any other oil or gas facility; and (B) upon expira-27 tion of such period of time as originally fixed or as extended, 28 unless the deputy director for oil and gas is satisfied that the 29 violation has been abated. Upon making such special inspec-30 tion, such oil and gas inspector shall determine whether or 31 not such violation has been totally abated. If he determines 32 that such violation has not been totally abated, he shall de-33 termine whether or not such period of time as originally fixed, 34 or as so fixed and extended, should be extended. If he determines that such period of time should be extended, he shall 35 36 determine what a reasonable extension would be. If he deter-37 mines that such violation has not been totally abated, and if 38 such period of time as originally fixed, or as so fixed and ex-39 tended, has then expired, and if he also determines that such 40 period of time should not be further extended, he shall there-41 upon make an order requiring the operator of such well or well site or other oil or gas facility to cease further operations of 42 43 such well, well site or facility, as the case may be. Such find-

44 ings and order shall contain reference to the specific provisions45 of this article which are being violated.

46 (c) Notice of each finding and order made under this sec47 tion shall promptly be given to the operator of the well or
48 well site or other oil or gas facility to which it pertains by the
49 person making such finding or order.

50 (d) No order shall be issued under the authority of this 51 section which is not expressly authorized herein.

§22-4-1h. Review of findings and orders by deputy director for oil and gas; special inspection; annulment, revision, etc., of order; notice.

1 Any well operator, complaining coal operator, owner or 2 lessee, if any, aggrieved by findings or an order made by an oil and gas inspector pursuant to section one-g of this article. 3 4 may within fifteen days apply to the deputy director for oil 5 and gas for annulment or revision of such order. Upon receipt of such application the deputy director for oil and gas shall 6 7 make a special inspection of the well, well site or other oil and 8 gas facility affected by such order, or cause two duly authorized 9 oil and gas inspectors, other than the oil and gas inspector who made such order or the supervising inspector and one duly 10 authorized oil and gas inspector other than the oil and gas in-11 12 spector who made such order, to make such inspection of such 13 well, or well site or other oil or gas facility and to report there-14 on to them. Upon making such special inspection himself, or upon receiving the report of such special inspection, as the 15 16 case may be, the deputy director for oil and gas shall make an order which shall include his findings and shall annul, re-17 18 vise or affirm the order of the oil and gas inspector.

19 The deputy director for oil and gas shall cause notice of 20 each finding and order made under this section to be given 21 promptly to the operator of the well, well site or other oil 22 or gas facility to which such findings and order pertain, and 23 the complainant under section one-f, if any.

At any time while an order made pursuant to section one-g of this article is in effect, the operator of the well, well site or other oil or gas facility affected by such order may apply to

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the deputy director for oil and gas for annulment or revision
of such order. The deputy director for oil and gas shall thereupon proceed to act upon such application in the manner provided in this section.

31 In view of the urgent need for prompt decision of matters 32 submited to the deputy director for oil and gas under this 33 article, all actions which he, or oil and gas inspectors, or the 34 supervising inspector, is required to take under this article, 35 shall be taken as rapidly as practicable, consistent with ade-36 quate consideration of the issues involved.

§22-4-1j. Judicial review of final orders of deputy director for oil and gas.

1 Any well operator, complaining coal operator, owner or 2 lessee, if any, adversely affected by a final order issued by the deputy director under section one-h of this article shall be 3 4 entitled to judicial review thereof. All of the pertinent pro-5 visions of section four, article five, chapter twenty-nine-a of 6 this code shall apply to and govern such judicial review with 7 like effect as if the provisions of said section four were set forth in extenso in this section. 8

9 (b) The judgment of the circuit court shall be final unless 10 reversed, vacated or modified on appeal to the supreme court 11 of appeals in accordance with the provisions of section one, 12 article six, chapter twenty-nine-a of this code.

13 (c) Legal counsel and services for the deputy director in all appeal proceedings in any circuit court and the supreme 14 15 court of appeals shall be provided by the attorney general or 16 his assistants and in any circuit court by the prosecuting attorney of the county as well, all without additional com-17 18 pensation. The deputy director, with written approval of the attorney general, may employ special counsel to represent the 19 20 deputy director at any such appeal proceedings.

§22-4-1k. Permits required; application for permit; information; responsible agent; drilling permit number; when permits not to be issued; penalty.

1 It shall be unlawful for any well to be drilled, redrilled, 2 deepened, fractured, stimulated, plugged, pressured, con-

verted, combined or physically changed to allow the migration
of fluid from one formation to another unless a permit therefor
has been issued by the department. An application for any
such permit shall be filed with the deputy director and shall
contain the following:

8 (a) The name and address of the well operator;

9 (b) The name and address of the owner of the surface lands 10 upon which the well is or may be located;

(c) The name and address of every coal operator operating
coal seams under the tract of land on which the well is or
may be located, or the coal seam owner of record and lessee
of record required to be given notice by section two, if any, if
said owner or lessee is not yet operating said coal seams;

(d) The name and address of the agent of the well operator,if any such agent is required to be designated under the pro-visions of this section;

19 (e) The approximate depth to which the well is to be 20 drilled;

(f) The proposed casing program of such well including
the sizes of all such casing, the depth to which all casing is
to be run and the extent to which such casing is to be cemented;

24 (g) The proposed method of reclamation which shall 25 comply with the requirements of section twelve-b of this 26 article; and

27 (h) Any other information which the deputy director by28 rule or regulation may require.

29 If the well operator named in such application is a cor-30 poration, partnership or a nonresident of the state of West 31 Virginia, then there shall be designated the name and addess of an agent for such operator who shall be the attorney-in-fact 32 33 for the operator and who shall be a resident of the state of 34 West Virginia upon whom notices, orders or other com-35 munications issued pursuant to this article or article five-a, 36 chapter twenty, may be served, and upon whom process may 37 be served. Every well operator required to designate an agent under this section shall within five days after the termination 38

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of such designation notify the department of such terminationand designate a new agent.

41 The well owner or operator shall install the permit number 42 as issued by the deputy director in a legible and permanent 43 manner to the well upon completion of any permitted work. 44 The dimensions, specifications and manner of installation 45 shall be in accordance with the administrative rules and 46 regulations of the department.

47 For the purpose of ascertaining whether or not issuance of any permit to drill, redrill, deepen, case, fracture, stimulate, 48 49 pressure, operate, plug, abandon, convert or combine any 50 well, or physically change any well or allow the migration of fluid from one formation to another, will contribute to an 51 52 existing pollution problem, the deputy director shall have the 53 right and it shall be his duty to consult with the director of the department of natural resources. In the event the issuance 54 55 of any such permit may reasonably be expected to contribute 56 to any such existing pollution then the deputy director will 57 not issue such permit.

58 Any person who violates any provision of this section shall 59 be guilty of a misdemeanor, and, upon conviction thereof, 60 shall be punished by a fine not exceeding two thousand dollars, 61 or imprisonment in jail for not exceeding twelve months, or 62 both such fine and imprisonment.

§22-4-2. Plats prerequisite to drilling or fracturing wells; preparation and contents; notice and information furnished to coal operators, owners or lessees; issuance of permits; performance bonds or securities in lieu thereof; bond forfeiture.

1 Before drilling for oil or gas, or before fracturing or stimu-2 lating a well on any tract of land, the well operator shall have 2 a plat prepared by a licensed land surveyor or registered engi-3 neer showing the district and county in which the tract of land 4 is located, the name and acreage of the same, the names of the owners of adjacent tracts, the proposed or actual location 5 of the well determined by survey, the courses and distances of 6 7 such location from two permanent points or landmarks on said 8 tract and the number to be given the well and the date of drill-

9 ing completion of a well when it is proposed that such well 10 be fractured and shall forward by registered or certified mail 11 a copy of the plat to the department of mines. In the event 12 the tract of land on which the said well proposed to be drilled 13 or fractured is located is known to be underlaid with one or 14 more coal seams, copies of the plat shall be forwarded by 15 registered or certified mail to each and every coal operator 16 operating said coal seams beneath said tract of land, who has 17 mapped the same and filed his maps with the department in 18 accordance with article two of this chapter, or the coal seam 19 owner of record and lessee of record, if any, if said owner or 20 lessee has recorded the declaration provided in section twenty 21 of this article, and if said owner or lessee is not yet operating 22 said coal seams beneath said tract of land. With each of such 23 plats there shall be enclosed a notice (form for which shall be 24 furnished on request by the department of mines) addressed to 25 the department of mines and to each such coal operator, owner 26 and lessee, if any, at their respective addresses, informing them 27 that such plat and notice are being mailed to them respectively 28 by registered or certified mail, pursuant to the requirements of 29 this article. If no objections are made, or are found by the 30 department, to such proposed location or proposed fracturing 31 within fifteen days from receipt of such plat and notice by 32 the department of mines, the same shall be filed and become a 33 permanent record of such location or fracturing subject to 34 inspection at any time by any interested person, and the de-35 partment may forthwith issue to the well operator a permit 36 reciting the filing of such plat, that no objections have been 37 made by the coal operators, owners and lessees, if any, or 38 found thereto by the department, and authorizing the well 39 operator to drill at such location, or to fracture the well. Un-40 less the department has objections to such proposed location or 41 proposed fracturing or stimulating, such permit may be issued 42 prior to the expiration of such fifteen day period upon the ob-43 taining by the well operator of the consent in writing of the 44 coal operator or operators, owners and lessees, if any, to whom 45 copies of the plat and notice shall have been mailed as herein 46 required, and upon presentation of such written consent to the 47 department. The notice above provided for may be given to 48 the coal operator by delivering or mailing it by registered or

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49 certified mail as above to any agent or superintendent in actual50 charge of mines.

51 A permit to drill, or to fracture or stimulate an oil or gas 52 well, shall not be issued unless the application therefor is ac-53 companied by a bond of the operator in the sum of two-thou-54 sand five hundred dollars, payable to the state of West Virginia, 55 with a corporate bonding or surety company authorized to do 56 business in this state as surety thereon, conditioned on full 57 compliance with all laws, rules and regulations relating to the 58 drilling, redrilling, deepening, casing, plugging, abandonment 59 and reclamation of wells and for furnishing such reports and information as may be required by the department: Provided, 60 61 That when such operator makes or has made application for 62 permits to drill a number of wells or fracture or stimulate a 63 well or wells the operator may in lieu of furnishing a separate 64 bond furnish a blanket bond in the sum of fifteen thousand 65 dollars, payable to the state of West Virginia, with a corporate 66 bonding or surety company authorized to do business in this 67 state as surety thereon, and conditioned as aforesaid: Pro-68 vided, however, That in lieu of corporate surety on a separate 69 or blanket bond, as the case may be, the operator may elect to 70 deposit with the deputy director for oil and gas cash or the 71 following collateral securities or any combination thereof: (1) 72 Bonds of the United States or agency thereof, or those guaran-73 teed by, or for which the credit of the United States or agency 74 therefor is pledged for the payment of the principal and interest 75 thereof; (2) direct general obligation bonds of this State, or 76 any other state, or territory of the United States, or the Dis-77 trict of Columbia, unconditionally guaranteed as to the princi-78 pal and interest by such other state or territory of the United 79 States, or the District of Columbia if such other state, terri-80 tory, or the District of Columbia has the power to levy taxes 81 for the payment of the principal and interest of such securities, 82 and if at the time of the deposit such other state, territory, or 83 the District of Columbia is not in default in the payment of 84 any part of the principal or interest owing by it upon any part 85 of its funded indebtedness; (3) direct general obligation bonds 86 of any county, district, city, town, village, school district or 87 other political subdivision of this state issued pursuant to law and payable from ad valorem taxes levied on all the taxable 88

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89 property located herein, that the total indebtedness after de-90 ducting sinking funds and all debts incurred for self-sustaining 91 public works does not exceed five percent of the assessed value 92 of all taxable property therein at the time of the last assessment 93 made before the date of such deposit, and that the issuer has 94 not, within five years prior to the making thereof, been in 95 default for more than ninety days in the payment of any 96 part of the principal or interest on any debt evidenced by its 97 bonds; (4) revenue bonds issued by this state or any agency of 98 this state when such bonds are payable from revenues or earn-99 ings specifically pledged for the payment of principal and 100 interest, and a lawful sinking fund or reserve fund has been 101 established and is being maintained for the payment of such 102 bonds; (5) revenue bonds issued by a municipality in this 103 state for the acquisition, construction, improvement or exten-104 sion of a waterworks system, or a sewerage system, or a com-105 bined waterworks and sewerage system, when such bonds are 106 payable from revenue or earnings specifically pledged for the 107 payment of principal and interest, and a lawful sinking fund or 108 reserve fund has been established and is being maintained for 109 the payment of such bonds; (6) revenue bonds issued by a 110 public service board of a public service district in this state for 111 the acquisition, construction, improvement or extension of any 112 public service properties, or for the reimbursement or payment 113 of the costs and expenses of creating the district, when such 114 bonds are payable from revenue or earnings specifically pledg-115 ed for the payment of principal and interest, and a lawful 116 sinking fund or reserve fund has been established and is being 117 maintained for the payment of such bonds; (7) revenue bonds 118 issued by a board of trustees of a sanitary district in this state 119 for the corporate purposes of such district, when such bonds 120 are payable from revenue or earnings specifically pledged for 121 the payment of principal and interest, and a lawful sinking 122 fund or reserve fund has been established and is being main-123 tained for the payment of such bonds; and (8) bonds issued 124 by a federal land bank or home owners' loan corporation. The 125 cash deposit or market value, or both, of the collateral securit-126 ies shall be equal to or greater than the penalty of the separate 127 or blanket bond, as the case may be. Upon receipt of any such deposit or cash or collateral securities, the deputy director for 128

129 oil and gas shall immediately deliver the same to the treasurer 130 of the state of West Virginia. The treasurer shall determine 131 whether any such securities satisfy the requirements of this 132 section. If the securities are approved they shall be accepted 133 by the treasurer. If the securities are not approved, they shall 134 be rejected and returned to the opeator and no permit shall be 135 issued until a corporate surety bond is filed or cash or proper 136 collateral securities are filed in lieu of such surety. The trea-137 surer shall hold any cash or securities in the name of the state in 138 trust for the purposes for which the deposit was made. The 139 operator shall be entitled to all interest and income earned on 140 the collateral securities filed by such operator so long as the 141 operator is in full compliance with all laws, rules and regula-142 tions relating to the drilling, redrilling, deepening, casing, 143 plugging, abandonment and reclamation of wells and for fur-144 nishing such reports and information as may be required by 145 the department. The operator making the deposit shall be 146 entitled from time to time to receive from the treasurer, upon 147 the written order of the deputy director for oil and gas, the 148 whole or any portion of such securities upon depositing with 149 the treasurer in lieu thereof cash equal to or greater than the 150 penalty of the bond, in other approved securities of the classes 151 herein specified having a market value equal to or greater than 152 the penalty of the bond, or a corporation surety bond.

153 When an operator has furnished a separate bond from a 154 corporate bonding or surety company to drill, fracture or 155 stimulate an oil or gas well and the well produces oil or 156 gas, or both, its operator may deposit with the deputy 157 director for oil and gas cash from the sale of the oil or 158 gas, or both, until the total deposited is two thousand five 159 hundred dollars. When the sum of the cash deposited is two 160 thousand five hundred dollars, the separate bond for the 161 well shall be released by the department. Upon receipt of 162 such cash, the deputy director for oil and gas shall im-163 mediately deliver the same to the treasurer of the state of 164 West Virginia. The treasurer shall hold such cash in the 165 name of the state in trust for the purpose for which the 166 bond was furnished and the deposit was made. The operator 167 shall be entitled to all interest and income which may be 168 earned on the cash deposited so long as the operator is in

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169 full compliance with all laws, rules and regulations relating 170 to the drilling, redrilling, deepening, casing, plugging, abandon-171 ment and reclamation of the well for which the cash was de-172 posited and so long as he has furnished all reports and in-173 formation as may be required by the department. If the cash 174 realized from the sale of oil or gas, or both, from the well is 175 not sufficient for the operator to deposit with the deputy 176 director for oil and gas the sum of two thousand five hundred 177 dollars within one year of the day the well started producing, 178 the corporate or surety company which issued the bond on the 179 well may notify the operator and the department of its intent 180 to terminate its liability under its bond. The operator then 181 shall have thirty days to furnish a new bond from a corporate 182 bonding or surety company or collateral securities, as provided 183 in the next preceding paragraph of this section, with the department. If a new bond or collateral securities are fur-184 185 nished by the operator, the liability of the corporate bonding 186 or surety company under the original bond shall terminate as 187 to any acts and operations of the operator occurring after the 188 effective date of the new bond or the date the collateral securi-189 ties are accepted by the treasurer of the state of West Virginia. 190 If the operator does not furnish a new bond or collateral securi-191 ties, as provided in the next preceding paragraph of this 192 section, with the department, he shall immediately plug, fill and 193 reclaim the well in accordance with all of the provisions of 194 law, rules and regulations applicable thereto. In such case, 195 the corporate or surety company which issued the original bond 196 shall be liable for any plugging, filling or reclamation not 197 performed in accordance with such laws, rules and regula-198 tions.

Any such bond shall remain in force until released by the
department and the department shall release the same when it
is satisfied the conditions thereof have been fully performed.
Upon the release of any such bond, any cash or collateral
securities deposited shall be returned by the deputy director for
oil and gas to the operator who deposited same.

If any of the requirements of this article or rules and regulations promulgated pursuant thereto or the orders of the deputy director for oil and gas have not been complied with within the time limit set by the violation notice as defined in sections

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209 one-g, one-h and one-i, article four, chapter twenty-two of 210 this code the performance bond shall then be forfeited.

When any bond is forfeited pursuant to the provisions of this article or rules and regulations promulgated pursuant thereto the deputy director shall give notice to the attorney general who shall collect the forfeiture without delay.

All forfeitures shall be deposited in the treasury of the state of West Virginia in the special reclamation fund as defined in section twelve-a, article four, chapter twenty-two of this code.

§22-4-2a. Notice to coal operators, owners or lessees and department of mines of intention to fracture certain other wells; contents of such notice; permit required.

1 Before fracturing any well the well operator shall, by registered or certified mail, forward a notice of intention to 2 fracture such well to the department of mines and to each 3 4 and every coal operator operating coal seams beneath said tract 5 of land, who has mapped the same and filed his maps with the department in accordance with article two of this chapter, or 6 7 the coal seam owner and lessee, if any, if said owner of record 8 or lessee of record has recorded the declaration provided in section twenty of this article, and if said owner or lessee is 9 10 not yet operating said coal seams beneath said tract of land.

11 The notice shall be addressed to the department of mines 12 and to each such coal operator at their respective addresses, shall contain the number of the drilling permit for such well 13 14 and such other information as may be required by the depart-15 ment to enable the department and the coal operators to locate and identify such well and shall inform them that such 16 17 notice is being mailed to them, respectively, by registered 18 or certified mail, pursuant to the requirements of this article. (The form for such notice of intention shall be furnished by on 19 request by the department of mines.) If no objections are 20 21 made, or are found by the department, to such proposed fracturing within fifteen days from receipt of such notice by 22 the department of mines, the same shall be filed and become 23 24 a permanent record of such fracturing, subject to inspection at any time by any interested person, and the department 25

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26 shall forthwith issue to the well operator a permit reciting the 27 filing of such notice, that no objections have been made by the 28 coal operators, or found thereto by the department, and 29 authorizing the well operator to fracture such well. Unless 30 the department has objections to such proposed fracturing, such permit shall be issued prior to the expiration of such 31 32 fifteen day period upon the obtaining by the well operator 33 of the consent in writing of the coal operator or operators, 34 owners or lessees, if any, to whom notice of intention to 35 fracture shall have been mailed as herein required, and upon 36 presentation of such written consent to the department. The 37 notice above provided for may be given to the coal operator 38 by delivering or mailing it by registered or certified mail as 39 above to any agent or superintendent in actual charge of 40 mines.

§22-4-2b. Plats prerequisite to introducing liquids or waste into wells; preparation and contents; notices and information furnished to coal operators, owners or lessees and chief of water resources; issuance of permits; performance bonds or security in lieu thereof.

1 Before drilling a well for the introduction of liquids for the purposes provided for in section ten-a of this article or for 2 3 the introduction of liquids for the disposal of sewage, industrial 4 waste or other waste or the effluent therefrom on any tract 5 of land, or before converting an existing well for such purposes, 6 the well operator shall have a plat prepared by a registered engineer or licensed land surveyor showing the district and 7 8 county in which the tract of land is located, the name and 9 acreage of the same, the names of the owners of all adjacent 10 tracts, the proposed or actual location of the well or wells 11 determined by a survey, the courses and distances of such 12 location from two permanent points of land marked on said 13 tract and the number to be given to the well, and shall forward 14 by registered or certified mail the original and one copy of 15 the plat to the department of mines. In addition, the well 16 operator shall provide the following information on the plat 17 or by way of attachment thereto to the department in the man-18 ner and form prescribed by the department's rules and regula-19 tions: (a) The location of all wells, abandoned or otherwise

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20 located within the area to be affected; (b) where available, the 21 casing records of all such wells; (c) where available, the drill-22 ing log of all such wells; (d) the maximum pressure to be 23 introduced; (e) the geological formation into which such liquid 24 or pressure is to be introduced; (f) a general description of 25 the liquids to be introduced; (g) the location of all water-26 bearing horizons above and below the geological formation into which such pressure, liquid or waste is to be introduced; 27 28 and (h) such other information as the deputy director by 29 rule and regulation may require.

30 In the event the tract of land on which said well proposed 31 to be drilled or converted for the purposes provided for in 32 this section is located is known to be underlaid with coal 33 seams, copies of the plat and all information required by this 34 section shall be forwarded by the operator by registered or 35 certified mail to each and every coal operator operating coal seams beneath said tract of land, who has mapped the same and 36 37 filed his maps with the department in accordance with article 38 two of this chapter, or the coal seam owner of record and lessee 39 of record, if any, if said owner or lessee has recorded the de-40 claration provided in section twenty of this article, and if said 41 owner or lessee is not yet operating said seams beneath said 42 tract of land. With each of such plats, there shall be enclosed a 43 notice (form for which shall be furnished on request by the 44 department of mines) addressed to the department of mines 45 and to each such coal operator, owner or lessee, if any, at 46 their respective addresses, informing them that such plat 47 and notice are being mailed to them, respectively, by registered 48 or certified mail, pursuant to the requirements of this section. 49 The deputy director shall forward a copy of the plat, notice 50 and all other information required by this section to the chief of the division of water resources of the department of natural 51 52 resources.

53 If no objections are made by any such coal operator, owner, 54 lessee or such chief, or are found by the department to such 55 proposed drilling or converting of the well or wells for the 56 purposes provided for in this section within thirty days from 57 the receipt of such plat and notice by the department of 58 mines, the same shall be filed and become a permanent record

59 of such location or well, subject to inspection at any time by any interested person, and the department shall forthwith 60 61 issue to the well operator a permit reciting the filing of such 62 plat and notice, that no objections have been made by the 63 coal operators, owners and lessees, if any, or found thereto by the department of mines or by the chief, and authorizing 64 65 the well operator to drill at such location or convert such 66 existing well or wells for the purposes provided for in this 67 section. Such permit shall be issued prior to the expiration of 68 such thirty day period upon the obtaining by the well operator, 69 of the consent in writing of the coal operator, owners and 70 lessees, if any, to whom copies of the plat and notices must 71 have been mailed as herein required and upon obtaining the 72 consent in writing of the chief, and upon presentation of such 73 written consent in writing of the chief, and upon presentation 74 of such written consent to the department. The notices above 75 provided for may be given to the coal operator by delivering 76 or mailing it by registered or certified mail as above to any 77 agent or superintendent in actual charge of the mines.

78 A permit to drill a well or wells or convert an existing well 79 or wells for the purpose provided for in this section shall not 80 be issued until all of the bonding provisions required by the 81 provisions of section two of this article have been fully 82 complied with and all such bonding provisions shall apply 83 to all wells drilled or converted for the purposes provided for 84 in this section as if such wells had been drilled for the 85 purposes provided for in section two of this article, except 86 that such bonds shall be conditioned upon full compliance with 87 all laws, rules and regulations relating to the drilling of a 88 well or the converting of an existing well for the purposes provided for in said section ten-a, or introducing of liquids 89 90 for the disposal of sewage, industrial waste or other waste or 91 the effluent therefrom including the redrilling, deepening, 92 casing, plugging or abandonment of all such wells.

§22-4-3. Objections to proposed drilling or fracturing; notices and hearings; agreed location or conditions; indication of changes on plats, etc.; issuance of permits.

1 When the proposed drilling or fracturing site is above a seam 2 or seams of coal, then the coal operator operating said coal

3 seams beneath the tract of land, or the coal seam owner or 4 lessee, if any, if said owner or lessee is not yet operating said 5 coal seams, may within fifteen days from the receipt by the 6 department of the plat and notice required by section two of 7 this article, or within fifteen days from the receipt by the de-8 partment of notice required by section two-a of this article, 9 file objections in writing (forms for which will be furnished by 10 the department on request) to such proposed drilling or frac-11 turing with the department of mines, setting out therein as 12 definitely as is reasonably possible the ground or grounds on 13 which such objections are based.

14 If any objection or objections are so filed, or are made by 15 the department, the department shall notify the well operator 16 of the character of the objections and by whom made and fix a 17 time and place, not less than fifteen days from the end of said 18 fifteen day period, at which such objections will be considered 19 of which time and place the well operator and all objecting 20 coal operators, owners or lessees, if any, shall be given at least 21 ten days' written notice by the department, by registered or 22 certified mail, and summoned to appear. At the time and place 23 so fixed the well operator and the objecting coal operators, 24 owners or lessees, if any, or such of them as are present or 25 represented, shall proceed to consider the objections. In the 26 case of proposed drilling, such parties present or represented 27 may agree upon either the location as made or so moved as to 28 satisfy all objections and meet the approval of the department, 29 and any change in the original location so agreed upon and 30 approved by the department shall be indicated on said plat on 31 file with the department, and the distance and direction of the 32 new location from the original location shall be shown, and as 33 so altered, the plat shall be filed and become a permanent 34 record, and in the case of proposed fracturing, such parties 35 present or represented may agree upon conditions under which 36 the well is to be fractured which will protect life and property 37 and which will satisfy all objections and meet the approval of 38 the department, at which time the plat and notice required by 39 section two, or the notice required by section two-a, as the case 40 may be, shall be filed and become a permanent record. Where-41 upon the department shall forthwith issue to the well opera-42 tor a drilling or fracturing permit, as the case may be, reciting

43 the filing of the plat and notice required by said section two, 44 or the notice required by said section two-a, as the case may 45 be, that at a hearing duly held a location as shown on the plat 46 or the conditions under which the fracturing is to take place 47 for the protection of life and property were agreed upon and 48 approved, and that the well operator is authorized to drill at 49 such location or to fracture at the site shown on such plat, or 50 to fracture the well identified in the notice required by section 51 two-a, as the case may be.

52 (a) In the case, the well operator and the objecting coal 53 operators, owners or lessees, if any, or such as are present or 54 represented at such hearing are unable to agree upon a drilling 55 location, or upon a drilling location that meets the approval of 56 the department of mines, then the department shall proceed to 57 hear the evidence and testimony in accordance with sections 58 one and two, article five, chapter twenty-nine-a of this code, 59 except where such provisions are inconsistent with this article. 60 The department shall take into consideration upon its decision: 61

(1) Whether the drilling location is above or in close proximity to any mine opening or shaft, entry, traveling, air haulage,
drainage or passageway, or to any proposed extension thereof,
in any operated or abandoned or operating coal mine, or coal
mines already surveyed and platted, but not yet being operated;

67 (2) Whether the proposed drilling can reasonably be done
68 through an existing or planned pillar of coal, or in close proxi69 mity to an existing well or such pillar of coal, taking into con70 sideration the surface topography;

(3) Whether a well can be drilled safely, taking into consideration the dangers from creeps, squeezes or other disturbances due to the extraction of coal;

74 (4) The extent to which the proposed drilling location un-75 reasonably interferes with the safe recovery of coal, oil and gas.

76 At the close of the hearing or within ten days thereafter the 77 department shall issue an order stating:

78 (1) That it refuses to issue a permit;

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79 (2) That it will issue a permit for the proposed drilling lo-80 cation;

(3) That it will issue a permit for drilling location differentthan that requested by the well operator.

The order shall state with particularity the reasons for the department's order and shall be mailed by registered or certified mail to the parties present or represented at such hearing. If the department has ruled that it will issue a permit, it shall issue a permit effective ten days after it has mailed such order: Except that for good cause shown, the department may stay the issuance of a permit for a period not to exceed thirty days.

90 If a permit is issued, the department shall indicate the new 91 drilling location on the plat on file with the department and 92 shall number and keep an index of and docket each plat and 93 notice mailed to it as provided in section two of this article, and 94 each notice mailed to it as provided in section two-a of this 95 article, entering in such docket the name of the well operator, 96 and the names and adresses of all persons notified, the dates 97 of hearings and all actions taken by the department, permits 98 issued or refused, the papers filed and a transcript of the hear-99 ing. This shall constitute a record of the proceedings before the 100 department and shall be open to inspection by the public.

101 (b) In the case, the well operator and the objecting coal operators, owners or lessees, if any, or such as are present 102 103 or represented at such hearing, are unable to agree upon the 104 conditions under which the well is to be fractured as to protect 105 life and property, or upon conditions of fracturing that meet 106 with the approval of the department, then the department shall 107 proceed to hear the evidence and testimony in accordance with 108 sections one and two, article five, chapter twenty-nine-a of this 109 code, except where such provisions are inconsistent with this 110 article.

111 The department shall take into consideration upon its de-112 cision whether the well can be fractured safely, taking into 113 consideration the dangers from creeps, squeezes or other 114 disturbances.

115 At the close of the hearing, or within ten days thereafter, 116 the department shall issue an order stating the conditions

under which the well is to be fractured, provided the well can
be fractured safely, taking into consideration the dangers from
creeps, squeezes, or other disturbances. If such fracturing cannot be done safely, the department shall issue an order stating
with particularity the reasons for refusing to issue a permit.

The order shall state with particularity the reasons for the department's order and shall be mailed by registered or certified mail to the parties present or represented at such hearing. If the department has ruled that it will issue a permit, it shall issue a permit effective ten days after it has mailed such order: Except that for good cause shown, the department may stay the issuance of a permit for a period not to exceed thirty days.

129 If a permit is issued, the department shall indicate the well 130 to be fractured on that plat on file with the department and 131 shall number and keep an index of and docket each plat and 132 notice mailed to it as provided in section two of this article, 133 and each notice mailed to it as provided in section two-a of 134 this article, entering in such docket the name of the well opera-135 tor, the names and addresses of all persons notified, the dates 136 of hearings and all actions taken by the department, permits 137 issued or refused, the papers filed and a transcript of the hear-138 ing. This shall constitute a record of the proceedings before 139 the department and shall be open to inspection by the public.

§22-4-3a. Objections to proposed drilling or converting for introducing liquids or waste into wells; notices and hearings; agreed location or conditions; indication of changes on plats, etc.; issuance of permits; dockets, of proceeding.

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1 When a well is proposed to be drilled or converted for the 2 purposes provided for in section two-b of this article, and 3 is above a seam or seams of coal, then the coal operator 4 operating said coal seams beneath the tract of land, or the 5 coal seam owner or lessee, if any, if said owner or lessee is not yet operating said coal seams, may within fifteen days 6 7 from the receipt by the department of the plat and notice required by section two of this article, file objections in 8 9 writing (forms for which will be furnished by the department 10 on request) to such proposed drilling or conversion.

11 In any case wherein a well proposed to be drilled or con-12 verted for the purposes provided for in section two-b of this 13 article shall, in the opinion of the chief of the division of 14 water resources of the department of natural resources, affect 15 detrimentally the reasonable standards of purity and quality 16 of the waters of the state, such chief shall, within thirty days 17 from the receipt of the plats and notices required by section 18 two-b, file with the department his objections in writing to 19 such proposed drilling or conversion, setting out therein as 20 definitely as is reasonably possible the ground or grounds upon 21 which such objections are based and indicating the conditions, 22 consistent with the provisions of this article and the rules or 23 regulations promulgated thereunder, as may be necessary for 24 the protection of the reasonable standards of the purity and 25 quality of such waters under which such proposed drilling or 26 conversion may be completed to overcome such objections, 27 if any.

28 If any objection or objections are so filed, or are made by 29 the department, the department shall notify the well operator 30 of the character of the objections and by whom made and 31 fix a time and place, not less than thirty days from the end 32 of said thirty day period, at which such objections will be 33 considered, of which time and place the well operator and 34 all objecting coal operators, the owners or lessees, if any, or 35 such chief, shall be given at least ten days written notice 36 by the department, by registered or certified mail, and 37 summoned to appear. At the time and place so fixed the 38 well operator and the objecting coal operators, owners or 39 lessees, if any, or such of them as are present or represented, 40 or such chief, shall proceed to consider the objections. In 41 the case of proposed drilling or converting of a well for the 42 purposes provided for in section two-b, such parties present or represented may agree upon either the location as made 43 44 or so moved as to satisfy all objections and meet the approval 45 of the department, and any change in the original location 46 so agreed upon and approved by the department shall be 47 indicated on said plat on file with the department, and the 48 distance and direction of the new location from the original 49 location shall be shown, and, as so altered, the plat shall be filed and become a permanent record. In the case of proposed 50

51 conversion, such parties present or represented may agree 52 upon conditions under which the conversion is to take place 53 for the protection of life and property or for protection of 54 reasonable standards of purity and quality of the waters of the 55 state. At which time the plat and notice required by section two-b shall be filed and become a permanent record. Where-56 57 upon the department shall forthwith issue to the well operator 58 a permit to drill or convert, as the case may be, reciting the 59 filing of the plat and notice required by said section two-b 60 that at a hearing duly held a location as shown on the plat 61 or the conditions under which the conversion is to take place 62 for the protection of life and property and reasonable standards 63 of purity and quality of the waters of the state where agreed 64 upon and approved, and that the well operator is authorized 65 to drill at such location or to convert at the site shown on 66 such plat, as the case may be.

67 (a) In the case, the well operator and the objecting coal 68 operators, owners or lessees, if any, and such chief, or such as 69 are present or represented at such hearing are unable to 70 agree upon a drilling location, or upon a drilling location 71 that meets the approval of the department of mines, then 72 the department shall proceed to hear the evidence and testimony in accordance with sections one and two, article five, 73 74 chapter twenty-nine-a of this code, except where such pro-75 visions are inconsistent with this article. The department shall 76 take into consideration upon its decision:

(1) Whether the drilling location is above or in close proximity to any mine opening or shaft, entry, traveling, air haulage, drainage or passageway, or to any proposed extension
thereof, in any operated or abandoned or operating coal mine,
or coal mine already surveyed and platted, but not yet being
operated;

(2) Whether the proposed drilling can reasonably be done
through an existing or planned pillar of coal, or in close
proximity to an existing well or such pillar of coal, taking
into consideration the surface topography;

87 (3) Whether a well can be drilled safety, taking into con88 sideration the dangers from creeps, squeezes or other disturb89 ances, due to the extraction of coal;

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90 (4) The extent to which the proposed drilling location91 unreasonably interferes with the safe recovery of coal, oil92 and gas.

At the close of the hearing or within ten days thereafter thedepartment shall issue an order stating:

95 (1) That it refuses to issue a permit;

96 (2) That it will issue a permit for the proposed drilling 97 location;

98 (3) That it will issue a permit for a drilling location99 different than that requested by the well operator.

100 The order shall state with particularity the reasons for the department's order and shall be mailed by registered or 101 102 certified mail to the parties present or represented at such 103 hearing. If the department has ruled that it will issue a permit, 104 it shall issue a permit effective ten days after it has mailed 105 such order: Except that for good cause shown, the department 106 may stay the issuance of a permit for a period not to exceed 107 thirty days.

108 If a permit is issued, the department shall indicate the new 109 drilling location on the plat on file with the department and shall number and keep an index of and docket each plat and 110 111 notice mailed to it as provided in section two of this article, 112 and each notice mailed to it as provided in section two-a of 113 this article, entering in such docket the name of the well opera-114 tor, and the names and addresses of all persons notified, the 115 dates of hearings and all actions taken by the department, permits issued or refused, the papers filed and a transcript 116 of the hearing. This shall constitute a record of the proceed-117 ings before the department and shall be open to inspection 118 119 by the public.

120 (b) In the case, the well operator and the objecting coal 121 operators, owners or lessees, if any, and such chief, or such 122 as are present or represented at such hearing, are unable 123 to agree upon the conditions under which the well is to be 124 converted as to protect life and property, and the reasonable 125 standards of purity and quality of the waters of the state, or 126 upon conditions of converting that meet with the approval

127 of the department, then the department shall proceed to hear
128 the evidence and testimony in accordance with sections one
129 and two, article five, chapter twenty-nine-a of this code,
130 except where such provisions are inconsistent with this article.

131 The department shall take into consideration upon its132 decision:

(1) Whether the well can be converted safely, taking into
consideration the dangers from creeps, squeezes or other
disturbances;

(2) Whether the well can be converted, taking into con-sideration the reasonable standards of the purity and qualityof the waters of the state.

139 At the close of the hearing, or within ten days thereafter, 140 the department shall issue an order stating the conditions 141 under which the conversion is to take place, providing the 142 well can be converted safely, taking into consideration the 143 dangers from creeps, squeezes, or other disturbances and the 144 reasonable standards of purity and quality of the waters of 145 this state. If such converting cannot be done safely, or if the reasonable standards of purity and quality of such waters 146 147 will be endangered, the department shall issue an order 148 stating with particularity the reasons for refusing to issue a 149 permit.

150 The order shall state with particularity the reasons for the 151 department's order and shall be mailed by registered or 152 certified mail to the parties present or represented at such 153 hearing. If the department has ruled that it will issue a permit, 154 it shall issue a permit effective ten days after it has mailed 155 such order: Except that for good cause shown, the depart-156 ment may stay the issuance of a permit for a period not to 157 exceed thirty days.

158 If a permit is issued, the department shall indicate the well 159 to be converted on the plat on file with the department and 160 shall number and keep an index of and docket each plat and 161 notice mailed to it as provided in section two-b, of this article, 162 entering in such docket the name of the well operator, and 163 the names and addresses of all persons notified, the dates of

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hearings and all actions taken by the department, permits
issued or refused, the papers filed and a transcript of the
hearings. This shall constitute a record of the proceedings
before the department and shall be open to inspection by the
public.

§22-4-4. Appeal from order of issuance or refusal of permit to drill or fracture; procedure.

1 Any party to the proceedings under section three of this 2 article adversely affected by the issuance of a drilling permit or 3 to the issuance of a fracturing permit or the refusal of the department to grant a drilling permit or fracturing permit is en-4 titled to judicial review thereof. All of the pertinent provisions 5 of section four, article five, chapter twenty-nine-a of this code 6 7 shall apply to and govern such judicial review with like effect as if the provisions of said section four were set forth in extenso 8 in this section. 9

10 The judgment of the circuit court shall be final unless re-11 versed, vacated or modified on appeal to the supreme court of 12 appeals in accordance with the provisions of section one, article 13 six, chapter twenty-nine-a of this code.

§22-4-4a. Appeal from order of issuance or refusal of permit for drilling location for introduction of liquids or waste or from conditions of converting procedure.

1 Any party to the proceedings under section three-a of this 2 article adversely affected by the order of issuance of a drilling 3 permit or to the issuance of a fracturing permit or the refusal 4 of the department to grant a drilling permit or fracturing per-5 mit is entitled to judicial review thereof. All of the pertinent provisions of section four, article five, chapter twenty-nine-a 6 7 of this code shall apply to and govern such judicial review with 8 like effect as if the provisions of section four were set forth in 9 extenso in this section.

10 The judgment of the circuit court shall be final unless re-11 versed, vacated or modified on appeal to the supreme court 12 of appeals in accordance with the provisions of section one, 13 article six, chapter twenty-nine-a of this code.

§22-4-8b. Well log to be filed; contents.

1 Within a reasonable time after the completion of the drilling 2 of a well, the well operator shall file with the deputy director 3 an accurate log. Such log shall contain the character, depth 4 and thickness of geological formations encountered, including 5 fresh water, coal seams, mineral beds, brine, and oil and gas 6 bearing formations and such other information as the deputy 7 director may require to effectuate the purposes of this article.

8 The deputy director may promulgate such reasonable rules 9 and regulations in accordance with article three, chapter 10 twenty-nine-a of this code, as it may deem necessary to insure 11 that the character, depth and thickness of geological formations 12 encountered are accurately logged: *Provided*, That the deputy 13 director shall not require logging by the use of an electrical 14 logging device.

§22-4-9. Plugging, abandonment and reclamation of well; notice of intention; performance bonds or securities in lieu there-of; affidavit showing time and manner.

All dry or abandoned wells or wells presumed to be abandoned under the provisions of section seven of this article shall be plugged and reclaimed in accordance with this section and the other provisions of this article and in accordance with the rules and regulations promulgated by the deputy director.

6 Prior to the commencement of plugging operations and the 7 abandonment of any well, the well operator shall either (a) 8 notify, by registered or certified mail, the department of mines 9 and the coal operator operating coal seams, or the coal seam owner of record or lessee of record, if any, to whom notices are 10 11 required to be given by section two of this article, and to the 12 coal operators to whom notices are required to be given by sec-13 tion two-a of this article, of its intention to plug and abandon 14 any such well (using such form of notice as the department may 15 provide), giving the number of the well and its location and fix-16 ing the time at which the work of plugging and filling will be 17 commenced, which time shall be not less than five days after 18 the day on which such notice so mailed is received or in due course should be received by the department of mines, in 19 20 order that a representative or representatives of the depart-

21 ment and such coal operator, owner or lessee, if any, may be 2.2 present at the plugging and filling of the well: Provided, That 23 whether such representatives appear or do not appear, the well 24 operator may proceed at the time fixed to plug and fill the 25 well in the manner hereinafter described, or (b) first obtain the 26 written approval of the department of mines and such coal 27 operator, owner or lessee, if any, or (c) in the event the well to be plugged and abandoned is one on which drilling or re-28 29 working operations have been continuously progressing pur-30 suant to authorization granted by the department, first obtain 31 the verbal permission of the deputy director for oil and gas 32 or his designated representative to plug and abandon such well, except that the well operator shall, within a reasonable 33 34 period not to exceed five days after the commencement of 35 of such plugging operations, give the written notices required 36 by subdivision (a) above.

37 No well shall be plugged or abandoned unless prior to the 38 commencement of plugging operations and the abandonment 39 of any well the department is furnished a bond of the opera-40 tor in the sum of two thousand five hundred dollars, payable 41 to the state of West Virginia, with a corporate bonding or 42 surety company authorized to do business in this state as surety 43 thereon, conditioned on full compliance with all laws, rules and 44 regulations relating to the casing, plugging, abandonment and 45 reclamation of well and for furnishing such reports and infor-46 mation as may be required by the department. When a number 47 of wells are involved, the operator may in lieu of furnishing a 48 separate bond furnish a blanket bond in the sum of fifteen 49 thousand dollars, payable to the state of West Virginia, with a 50 corporate bonding or surety company authorized to do busi-51 ness in this state as surety thereon, and conditioned as afore-52 said. In lieu of corporate surety on a separate or blanket bond, 53 as the case may be, the operator may elect to deposit with the 54 deputy director for oil and gas cash or collateral securities as 55 specified in section two of this article. All of the provisions 56 of section two dealing with cash or collateral securities in lieu 57 of corporate surety shall be fully applicable hereto except for 58 the condition of the bond with respect to which the operator 59 must be in full compliance in order to be entitled to the interest 60 and income earned on such securities. The operator shall be

61 entitled to such interest and income under this section so long 62 as the operator is in full compliance with all laws, rules and 63 regulations relating to the casing, plugging, abandonment and 64 reclamation of wells and for furnishing such reports and infor-65 mation as may be required by the department. Any such bond 66 shall remain in force until released by the department and 67 the department shall release the same when it is satisfied the 68 conditions thereof have been fully performed. Notwithstanding 69 the foregoing provisions, any operator who, in accordance with 70 section two of this article, has furnished a separate bond, which 71 has not been released by the department, for the drilling, con-72 verting or drilling for the introduction of liquids, for the dis-73 posal of sewage, industrial waste or other waste or the effluent 74 therefrom, or introducing pressure, whether liquid or gas, or 75 introducing liquid for the purposes provided for in section ten-76 a of this article or fracturing of the well it is now proposed be 77 plugged and abandoned, or who, in accordance with the pro-78 visions of said section two of this article, has furnished a 79 blanket bond which has not been released by the department 80 shall not be required by this section to furnish any other bond. 81 When the plugging, filling and reclamation of a well have been 82 completed, an affidavit, in triplicate, shall be made (on a form 83 to be furnished by the department) by two experienced men 84 who participated in the work, the deputy director for oil and 85 gas or his designated representative, in which affidavit shall be 86 set forth the time and manner in which the well was plugged 87 and filled and the land reclaimed. One copy of this affidavit 88 shall be retained by the well operator, another (or true copies 89 of same) shall be mailed to the coal operator or operators, if 90 any, and the third to the department of mines.

§22-4-10. Methods of plugging well.

1 Upon the abandonment or cessation of the operation of 2 any well drilled for natural gas or petroleum, or drilled or 3 converted for the introduction of pressure, whether liquid or 4 gas, or for the introduction of liquid for the purposes pro-5 vided for in section ten-a of this article or for the disposal of sewage, industrial waste or other waste or the effluent 6 7 therefrom the well operator, at the time of such abandonment 8 or cessation, shall fill and plug the well in the following 9 manner:

10 (a) Where the well does not penetrate workable coal beds, 11 it shall either be filled with mud, clay or other nonporous 12 material from the bottom of the well to a point twenty feet 13 above the top of its lowest oil, gas or water-bearing stratum; 14 or a permanent bridge shall be anchored thirty feet below 15 its lowest oil, gas or water-bearing stratum, and from such bridge it shall be filled with mud, clay or other nonporous 16 17 material to a point twenty feet above such stratum; at this 18 point there shall be placed a plug of cement or other suitable 19 material which will completely seal the hole. Between this 20 sealing plug and a point twenty feet above the next higher 21 oil, gas or water-bearing stratum, the hole shall either be 22 filled, or bridged and filled, in the manner just described; 23 and at such point there shall be placed another plug of 24 cement or other suitable material which will completely seal 25 the hole. In like manner the hole shall be filled and plugged, 26 or bridged, filled and plugged with reference to each of its 27 oil, gas or water-bearing strata. However, whenever such 28 strata are not widely separated and are free from water, they 29 may be grouped and treated as a single sand, gas or petroleum 30 horizon, and the aforesaid filling and plugging be performed 31 as though there were but one horizon. After the plugging 32 of all oil, gas or water-bearing strata, as aforesaid, a final 33 plug shall be anchored approximately ten feet below the 34 bottom of the largest casing in the well; from this point to 35 the surface the well shall be filled with mud, clay or other 36 nonporous material. In case any of the oil or gas-bearing 37 strata in a well shall have been shot, thereby creating cavities 38 which cannot readily be filled in the manner above described, 39 the well operator shall follow either of the following methods:

40 (1) Should the stratum which has been shot be the lowest 41 one in the well, there shall be placed, at the nearest suitable 42 point, but not less than twenty feet above the stratum, a 43 plug of cement or other suitable material which will com-44 pletely seal the hole. In the event, however, that the shooting 45 has been done above one or more oil or gas-bearing strata in 46 the well, plugging in the manner specified shall be done at 47 the nearest suitable point, but not less than twenty feet below 48 and above the stratum shot. Or (2), when such cavity shall 49 be in the lowest oil or gas-bearing stratum in the well, a

50 liner shall be placed which shall extend from below the stratum 51 to a suitable point, but not less than twenty feet above the 52 stratum in which shooting has been done. In the event, 53 however, that the shooting has been done above one or more 54 oil or gas-bearing strata in the well, the liner shall be so 55 placed that it will extend not less than twenty feet above, nor 56 less than twenty feet below, the stratum in which shooting has 57 been done. Following the placing of the liner in the manner 58 here specified it shall be compactly filled with cement, mud, 59 clay or other nonporous sealing material;

60 (b) Where the well has penetrated one or more workable 61 coal beds, it shall be filled and securely plugged in the manner 62 aforesaid, to a point fifty feet below the lowest work-63 able coal bed. If, in the judgment of the well operator 64 the coal operator and the department of mines, a permanent 65 outlet to the surface is required, such outlet shall be provided 66 in the following manner: A plug of cement, or other suitable material, shall be placed in the well at a suitable point, not less 67 68 than the feet below the lowest workable coal bed. In this 69 plug and passing through the center of it shall be securely 70 fastened an open pipe not less than two inches in diameter, 71 which shall extend to the surface. At or above the surface 72 the pipe shall be provided with a device which will permit 73 the free passage of gas, and prevent obstruction of the same. 74 Following the setting of the cement plug and outlet pipe as aforesaid, the hole shall be filled with cement to a point 75 76 twenty feet above the lowest workable coal bed. From this 77 point the hole shall be filled with mud, clay or other non-78 porous material to a point forty feet beneath the next over-79 lying workable coal bed, if such there be, and the next 80 succeeding sixty feet of the hole filled with cement, and 81 similarily, in case there are more overlying workable coal 82 beds. If, in the judgment of the well operator, the coal 83 operator and the department of mines, no outlet to the surface 84 is considered necessary, the plugging, filling and cementing 85 shall be as last above described.

Where a coal protection string of casting has been cemented in and circulated to the surface, if a coal outlet pipe is not required in a well which penetrates one or more workable

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95 Where a coal protection string of casing has been cemented in and circulated to the surface, if a coal outlet pipe is re-96 quired in a well which penetrates one or more workable coal 97 98 beds, then a sixty *we* cement plug shall be placed in the well from thirty feet to ninety feet below casing seat completely 99 100 sealing the well. The outlet pipe shall be placed twenty 101 feet below the casing seat centrally located in the casing. 102 A cement basket shall be installed on the outlet pipe and 103 placed ten feet above the casing seat with twenty feet of 104 cement in the annulus between the outlet pipe and the The remaining annulus shall be filled with non-105 casing. 106 porous material to ten feet of surface. The outlet pipe and 107 monument shall then be cemented from ten feet to the surface 108 with a bleeder pipe which will permit the free passage of 109 gas and prevent obstructions of the same.

110 The deputy director may from time to time promulgate 111 reasonable rules and regulations in accordance with article 112 three, chapter twenty-nine-a of this code for the plugging of 113 wells for the protection and safety of persons working in or 114 about coal seams beneath the wells.

§22-4-12. Supervision by department of mines over drilling, mining and reclamation operations; complaints; hearings; appeals.

1 The department shall exercise supervision over the drilling, 2 casing, plugging, filling and reclamation of all wells and of all 3 mining operations in close proximity to any well and shall have such access to the plans, maps and other records and to the 4 5 properties of the well operators and coal operators as may be necessary or proper for this purpose, and, either as the result 6 7 of its own investigations or pursuant to charged made by any 8 well operator or coal operator, the department may itself enter, 9 or shall permit any aggrieved person to file before it, a formal

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10 complaint charging any well operator with not drilling or casing, or not plugging or filling, or reclaiming any well in ac-11 12 cordance with the provisions of this article, or charging any 13 coal operator with conducting mining operations in proximity 14 to any well contrary to the provisions of this article, or to the 15 order of the department. True copies of any such complaints 16 shall be served upon or mailed by registered mail to any per-17 son so charged, with notice of the time and place of hearing, 18 of which the operator or operators so charged shall be given 19 at least five days' notice. At the time and place fixed for hear-20 ing, full opportunity shall be given any person so charged or 21 complaining to be heard and to offer such evidence as desired, 22 and after a full hearing, at which the department may offer 23 in evidence the results of such investigations as it may have 24 made, the department shall make its findings of fact and enter 25 such order as in its judgment is just and right and necessary to 26 secure the proper administration of this article, and if it deems 27 necessary, restraining the well operator from continuing to 28 drill or case any well or from further plugging, filling or re-29 claiming the same, except under such conditions as the depart-30 ment may impose in order to insure a strict compliance with 31 the provisions of this article relating to such matters, or re-32 straining further mining operations in proximity to any well, 33 except under such conditions as the department may impose.

Any well operator or coal operator adversely affected by a
final decision or order of the department, may appeal in the
manner set forth in section four of this article.

§22-4-13. Rules and regulations; hearings before department of mines; appeals.

1 (a) The department of mines may promulgate such reason-2 able rules and regulations as it may deem necessary or desirable 3 to implement and make effective the provisions of this article 4 and the powers and authority conferred and the duties im-5 posed upon it under the provisions of this article and for 6 securing uniformity of procedure in the administration of the 7 provisions of article three, chapter twenty-nine-a of this code.

8 (b) Any hearing or proceeding before the department shall9 be in accordance with the provisions of article five, chapter

10 twenty-nine-a of this code, except where such provisions are 11 inconsistent with this article.

12 Any well operator, coal operator, owner or lessee, if any, 13 who would be required to be given notice by section two, ad-14 versely affected by an order or final decision of the depart-15 ment may appeal the same in accordance with the provisions 16 of section four, article five, chapter twenty-nine-a except 17 where such provisions are inconsistent with this article.

§22-4-18. Injunctive relief.

(a) In addition to other remedies, and aside from various 1 2 penalties provided by law, whenever it appears to the depart-3 ment that any person is violating or threatening to violate any 4 provision of this article, any order or final decision of the de-5 partment, or any lawful rule or regulation promulgated here-6 under, the department may apply in the name of the state to 7 the circuit court of the county in which the violations or any 8 part thereof has occurred, is occurring or is about to occur, or 9 the judge thereof in vacation, for an injunction against such 10 persons and any other persons who have been, are or are about to be, involved in any practices, acts or admissions so in 11 12 violation, enjoining such person or persons from any violation or violations. Such application may be made and prose-13 14 cuted to conclusion, whether or not any violation or violations have resulted or shall result, in prosecution or conviction un-15 16 der the provisions of this article.

17 (b) Upon application by the department, the circuit courts 18 of this state may, by mandatory or prohibitory injunction 19 compel compliance with the provisions of this article, and all orders and final decisions of the department. The court may 20 21 issue a temporary injunction in any case pending a decision on 22 the merits of any application filed. Any other section of this 23 code to the contrary notwithstanding, the state shall not be re-24 quired to furnish bond or other undertaking as a prerequisite 25 to obtaining mandatory, prohibitory or temporary injunctive relief under the provisions of this article. 26

(c) The judgment of the circuit court upon application
permitted by the provisions of this section, shall be final unless reversed, vacated or modified on appeal to the supreme

court of apeals. Any such appeal shall be sought in the manner and within the time provided by law for appeals from
circuit courts in other civil actions.

(d) The department shall be represented in all such proceedings by the attorney general or his assistants or in such proceedings in the circuit courts by the prosecuting attorney of the several counties as well, all without additional compensation. The department, with the written approval of the attorney general, may employ special counsel to represent the department in any such proceedings.

40 (e) If the department shall refuse or fail to apply for an 41 injunction to enjoin a violation or threatened violation of any 42 provision of this article, any order or final decision of the 43 department, or any rules or regulations promulgated hereunder, 44 within ten days after receipt of a writen request to do so by any 45 well operator, coal operator, operating coal seams beneath the 46 tract of land, or the coal seam owner or lessee, if any, if said 47 owner or lessee is not yet operating said coal seams beneath 48 said tract of land, or the chief of the division of water resources 49 of the department of natural resources, adversely affected by 50 such violation or threatened violation, the person making such 51 request may apply in his own behalf for an injunction to enjoin 52 such violation or threatened violation in any court in which 53 the department might have brought suit. The department shall 54 be made party defendant in such application in addition to the 55 person or persons violating or threatening to violate any pro-56 vision of this article, any final order or decision of the de-57 partment, or any rule or regulation promulgated hereunder. 58 The application shall proceede and injunctive relief may be 59 granted in the same manner as if the application had been made 60 by the department: Except that the court may require a bond 61 or other undertaking from the plaintiff.

§22-4-20. Declaration of oil and gas notice by owners and lessees of coal seams.

For purposes of notification under this article, any owner or lessee of coal seams shall file a declaration of his interest in such coal seams with the clerk of the county commission in the county where such coal seams are located. Said clerk

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shall file and index such declaration in accordance with section
two, article one, chapter thirty-nine of this code, and shall index
the name of the owner or lessee of such coal seams in the grantor index of the record maintained for the indexing of leases.

9 The declaration shall entitle such owner or lessee to the notices provided in sections two, two-a, two-b and nine of this article: *Provided*, That the declaring owner shall be the record owner of the coal seam, and the declaring lessee shall be the record lessee with his source or sources of title recorded prior to recording such lessee's declaration.

15 The declaration shall be acknowledged by such owner or 16 lessee, and in the case of a lessee, may be a part of the coal 17 lease under which the lessee claims. Such declaration may be 18 in the following language:

19 "DECLARATION OF OIL AND GAS NOTICE"

20 "The undersigned hereby declares:

(1) The undersigned is the ('owner' or 'lessee') of one or
more coal seams or workable coal beds as those terms are
defined in section one, article four, chapter twenty-two of
the code of West Virginia.

(2) The coal seam(s) or workable coal bed(s) owned or
leased partly or wholly by the undersigned lie(s) under the
surface of lands described as follows:

28 (Here insert a description legally adequate for a deed,
29 whether by metes and bounds or other locational descrip30 tion, or by title references such as a book and page legally

31 sufficient to stand in lieu of a locational description.)

32 (3) The undersigned desires to be given all notices of oil
33 and gas operations provided by sections two, two-a, two-b and
34 nine, article four, chapter twenty-two of the code of West Vir35 ginia, addressed as follows:

36 (Here insert the name and mailing address of the under-37 signed owner or lessee.)

(Signature)



38 39

40 (Here insert an acknowledgment legally adequate for a deed). "

42 The benefits of the foregoing declaration shall be personal 43 to the declaring owner or lessee, and not transferable or 44 assignable in any way. 39 [Enr. Com. Sub. for H. B. 1745

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

Chairman Senate Committee

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Chairman House Committee

Originated in the House.

Takes effect ninety days from passage.

Clerk of the Senate NB allens Clerk of the House of Delegates President of the Senate Speaker House of Delegates more The within day of, 1977. Governor C-641

RECEIVED APR 15 3 03 PM '77 OFFICE OF THE GOVERNOR

APPROVED AND SIGNED BY THE GOVERNOR

Date April 27, 1977 Time 5: 30 p. m.

11 RECENED <u>~</u> -APR 27 11 27