An ACT to amend and reenact sections one, one-a and one-b, article four, chapter twenty-two of the code of West Virginia, one thousand nine hundred thirty-one, as amended, all relating to the creation of an office of oil and gas within the department of mines; definitions; purposes; rules and regulations; administrator of the office of oil and gas; powers and duties; processing fee; public records; and eligibility.

Be it enacted by the Legislature of West Virginia:

That sections one, one-a and one-b, article four, chapter twenty-two of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted 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 meaning, as used in this article:
2. (a) "Casing" means a string or strings of pipe commonly placed in wells drilled for natural gas or petroleum or both;
3. (b) "Cement" means hydraulic cement properly mixed with water;
4. (c) "Chairman" means the chairman of the West Virginia shallow gas well review board as provided for in section four, article four-b of this chapter;
5. (d) "Chief" means chief of the division of water resources of the department of natural resources;
6. (e) "Coal operator" means any person or persons, firm, partnership, partnership association or corporation that proposes to or does operate a coal mine;
(f) "Coal seam" and "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;

(g) "Deep well" means any well drilled and completed in a formation at or below the top of the uppermost member of the "Onondaga Group" or at a depth of or greater than six thousand feet, whichever is shallower;

(h) "Department" or "department of mines" means, for purposes of this article and articles five and seven of this chapter, the office of oil and gas of the department of mines.

(i) "Administrator" means the head of the office of oil and gas of the department of mines and all references to the "deputy director" shall be defined to mean the administrator of the office of oil and gas.

(j) "Expanding cement" means any cement approved by the office of oil and gas which expands during the hardening process, including but not limited to regular oil field cements with the proper additives;

(k) "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;

(l) "Gas" means all natural gas and all other fluid hydrocarbons not defined as oil in subdivision (m) of this section;

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

(n) "Owner" when used with reference to any well, shall include any person or persons, firm, partnership, partnership association or corporation that owns, manages, operates, controls or possesses such well as principal,
or as lessee or contractor, employee or agent of such principal;

(o) "Owner" when used with reference to any coal seam, shall include any person or persons who own, lease or operate such coal seam;

(p) "Person" means any natural person, corporation, firm, partnership, partnership association, venture, receiver, trustee, executor, administrator, guardian, fiduciary or other representative of any kind, and includes any government or any political subdivision or any agency thereof;

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

(r) "Review board" means the West Virginia shallow gas well review board as provided for in section four, article four-b of this chapter;

(s) "Safe mining through of a well" means the mining of coal in a workable coal bed up to a well which penetrates such workable coal bed and through such well so that the casing or plug in the well bore where the well penetrates the workable coal bed is severed;

(t) "Shallow well" means any gas well drilled and completed in a formation above the top of the uppermost member of the "Onondaga Group" or at a depth less than six thousand feet, whichever is shallower;

(u) "Stimulate" means any action taken by well operator to increase the inherent productivity of an oil or gas well including, but not limited to, fracturing, shooting or acidizing, but excluding cleaning out, bailing or workover operations;

(v) "Well" means any shaft or hole sunk, drilled, bored or dug into the earth or into underground strata for the extraction or injection or placement of any liquid or gas, or any shaft or hole sunk or used in conjunction with such extraction or injection or placement. The term "well" does not include any shaft or hole sunk, drilled, bored or dug into the earth for the sole purpose of core drilling or pumping or extracting therefrom potable, fresh or usable water for household, domestic, industrial, agricultural or public use; and
(w) "Well operator" or "operator" means any person or persons, firm, partnership, partnership association or corporation that proposes to or does locate, drill, operate or abandon any well as herein defined.

(x) "Office of oil and gas" or "office" means the office of oil and gas within the department of mines charged with the responsibility of administering the provisions of chapter twenty-two, articles four, five and seven of the code of West Virginia, one thousand nine hundred thirty-one, as amended.

§22-4-la. Office of oil and gas—purposes; rules and regulations; administration; appointment; powers and duties; public records.

(a) There is hereby created, under the jurisdiction of the director of the department of mines, an office of oil and gas which shall have as its purpose the supervision of the execution and enforcement of matters related to oil and gas set out in this article and in articles five and seven of this chapter.

(b) The office of oil and gas is authorized to enact rules and regulations necessary to effectuate the above stated purposes.

(c) There shall be an employee of the office of oil and gas whose title shall be "administrator of the office of oil and gas" who shall be appointed by the director of the department of mines to serve at the will and pleasure of the director and whose salary shall be set by the director. The administrator shall have full charge of the oil and gas matters set out in this article and in articles five and seven of this chapter, subject always to the direct supervision and control of the director of the department of mines. As such the administrator shall have the power and duty to:

(1) Supervise and direct the activities of the office of oil and gas and see that the purposes set forth in subsections (a) and (b) of this section are carried out;

(2) Employ a supervising oil and gas inspector and not more than twelve oil and gas inspectors upon approval by the director;
(3) Supervise and direct such oil and gas inspectors and supervising inspector in the performance of their duties;

(4) Suspend for good cause any oil and gas inspector or supervising inspector without compensation for a period not exceeding thirty days in any calendar year;

(5) Prepare report forms to be used by oil and gas inspectors or the supervising inspector in making their findings, orders and notices, upon inspections made in accordance with this chapter;

(6) Employ a hearing officer and such clerks, stenographers and other employees, as may be necessary to carry out his duties and the purposes of the office of oil and gas, and fix their compensation;

(7) Hear and determine applications made by owners, well operators, and coal operators for the annulment or revision of orders made by oil and gas inspectors or the supervising inspector, and to make inspections, in accordance with the provision of this article and articles five and seven of this chapter;

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

(9) Make annually a full and complete written report to the director of the department of mines in such form and detail as the director may from time to time request, so that the director can complete the preparation of the director's annual report to the governor of the state;

(10) Conduct such research and studies as the director shall deem necessary to aid in protecting the health and safety of persons employed within or at potential or existing oil or gas production fields within this state, to improve drilling and production methods and to provide for the more efficient protection and preservation of oil and gas-bearing rock strata and property used in connection therewith;

(11) Perform any and all acts necessary to carry out and implement the state requirements established by 92 Statutes at Large 3352, et seq., the “Natural Gas Policy Act of 1978”, which are to be performed by a designated...
state jurisdictional agency regarding determinations that
wells within the state qualify for a maximum lawful
price under certain categories of natural gas as set forth
by the provisions of the said "Natural Gas Policy Act of
1978".

(12) Collect a filing and processing fee of twenty-five
dollars for each well, for which a determination of qualifi-
cation to receive a maximum lawful price under the
provisions of the "Natural Gas Policy Act of 1978" is
sought from the administrator; all revenues from such
fees to be placed in the general revenue fund of the state.

(13) 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.

(d) All records of the department shall be open to the
public.

§22-4-1b. Administrator—eligibility.

1 The administrator of the office of oil and gas shall be a
citizen of West Virginia, shall be a competent person of
good reputation and temperate habits and be a registered
professional engineer and shall have had at least ten
years' practical experience in the oil and gas industry.
A degree in geology or in mining or petroleum engineer-
ing shall be counted as two years' practical experience.
The administrator shall devote all of his time to his
duties, and shall not be directly or indirectly interested
financially in any oil or gas production or drilling or in
any coal mine in this state.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

James L. Davis  
Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

To take effect from passage.

J.C. Lilly  
Clerk of the Senate

Clerk of the House of Delegates

J.R. Butcher  
President of the Senate

Speaker House of Delegates

The within ______ approved ______ this the ______

day of ______, 1979.

John D. Bellamy  
Governor