Ohio law requires rules to be reviewed every five years. As part of the Division of Oil and Gas Resources Management’s ("Division") five-year rule review, the Division is thoroughly reviewing each rule of Ohio Administrative Code (OAC) 1501:9 following standards outlined in the Joint Committee on Agency Rule Review’s (JCARR) procedure manual. Generally, the Division is considering the continued need for the rules, any complaints or comments received concerning the rules, and any relevant factors that have changed in the subject matter area affected by the rules. Ohio’s oil and gas industry has experienced dramatic changes in recent years, operationally and technologically, which necessitates extensive review of current rules and often requires appropriate modifications. The Division has worked with affected parties to develop rules that protect human health, safety, and the environment while providing a reasonable regulatory framework for oil and gas companies to conduct business operations.

OBJECTIVE/BACKGROUND

The Division is completing its’ five-year rule review of OAC 1501:9-01 by revising several rules within this section. Revisions to OAC 1501:9-01-04 (spacing) have been filed for legislative review and 1501:9-1-05 has been filed for removal.

These proposed rules include revisions to current rules and addition of new rules. The edits to permitting, surety, prevention of contamination and pollution, and well construction will strengthen already existing regulatory standards. A new rule will be added to require horizontal well operators to develop anti-collision plans as a part of the permitting process for wells located near other wells. This addition is a critical component that protects public and worker health, safety, and the environment. Many operators are currently developing and submitting these plans, and these proposed rules standardize and define the expectations of the Division as part of the permitting process.

The Division has devoted considerable time and resources to the development of these rules and has worked with affected parties to develop and review the proposed language.

RULE ACCOMPLISHMENTS

In performing the five-year rule review and the development of new rules, the Division proposes to:

- Revise permitting standards;
- Establish the requirements for anti-collision plans to be submitted for wells that are less than 100 feet apart at the surface. The rule:
  - Includes specifications for submittal to the Division;
  - Defines applicability of the new rule;
  - Establishes the minimum information necessary for developing a policy and plan for avoiding collisions during the planning and drilling of a well;
• Requires plans for specific wells and establishes minimum standards for those plans; and
  • Establishes other standards including notification and requirements for monitoring.
• Revise surety standards;
• Edit references regarding prevention of contamination and pollution; and
• Revise well construction standards. The standards are applicable to all wells that are drilled for natural gas storage, Class II injection, and all wells drilled to produce hydrocarbons and are founded upon the well performance objectives established by 1509.17(B) of the Ohio Revised Code (ORC). These rules:
  • Protect and isolate all underground sources of drinking water;
  • Control formation pressures and fluids during drilling, completion, and production operations;
  • Isolate oil and gas reservoir fluids during well stimulation operations and throughout the productive life of the well;
  • Isolate corrosive zones to prevent deterioration of steel casing strings;
  • Require continuous monitoring of annular pressures to enable continuous assessment of well mechanical integrity; and
  • Protect underground miner safety when drilling in areas with active mines.