

Enclosed are copies of the forms pertaining to the transportation of brine in Ohio. The forms included area:

1. Application for Brine Transporter Registration or Modification of Disposal Plan:
Any person or entity that transports brine in this state must register with and obtain a registration certificate and identification number from the Chief. The application must include a plan for disposal, a surety bond, cash, or certificate of deposit of \$15,000.00, a \$500.00 nonrefundable application fee, and a certificate issued by an insurance company that states that the applicant has in force liability insurance coverage of \$300,000.00 for bodily injury and \$300,000.00 for property damage coverage. The Chief may deny an application for a registration certificate if:
 - A) The applicant has been found liable by a court for damage to streets, roads, highways bridges, culverts or driveways until the applicant provides evidence of compliance with the order.
 - B) Applicant's disposal plan does not provide compliance with Chapter 1509 of the Ohio Revised Code and rules of the Chief pertaining to the transportation of brine.

A registered transporter must apply to revise a disposal plan and must list all sources and disposal sites of brine currently transported.

No transporter can attempt to circumvent the above requirements by applying under a different name or business organization, by transferring responsibility to another person or entity or by any similar act. Any violation of the terms of registration may result in civil penalties of not less than \$2,500.00 or more than \$20,000.00 for each offense. Knowingly violating the registration application plan may leave the violator liable for resulting damages. Criminal penalties for violations of the registration certificate may amount to \$10,000.00 or six (6) months in jail for subsequent offenses. Any transporter who negligently violates the term of a registration certificate may result in a \$5,000.00 fine.

2. The Brine Hauler Annual Report: Each registered transporter must file with the Chief of the Division of Oil & Gas Resources Management by April 15 of each year a report concerning quantities of brine transported, source and delivery point. Failure to submit an annual report may result in a civil penalty of not more than \$4,000.00 or criminal penalties of not less than \$100.00 or more than \$1,000.00 for a first offense and not less than \$200.00 or more than \$2,000.00 for subsequent offenses.
3. Transporter Daily Log Samples: Each registered transporter must maintain a daily log on each vehicle which details the name of the owner(s) of the well(s) producing the brine to be transported, date and time brine is loaded, name of the driver, amount of brine loaded at each collection point, disposal location, the date

and time the brine is disposed of and the amount of brine disposed of at each location.

The driver of the vehicle must have the daily log available upon request of the Chief or an authorized representative of the Chief or peace officer. Violations involving the transporter's log may result in civil penalties of not more than \$4,000.00 for each offense or criminal penalties of not more than \$500.00 for a first offense or more than \$1,000.00 for subsequent offenses.

4. Surety Bond for Brine Transportation System: Before being issued a registration certificate, an applicant must execute and file with the Division of Oil & Gas Resources Management a surety bond, cash, negotiable certificate of deposit (must be from an **OHIO** bank) for \$15,000.00 to provide compensation for damages resulting from transporter's violation of Sections 1509.22, 1509.222 or 1509.223. The surety bond must be executed by a surety company authorized to do business in this state. No bond shall be approved unless there is attached a certificate of the superintendent of insurance that a company is authorized to transact a fidelity and surety business in this state.

If a registered transporter is found liable for a violation of Sections 1509.22, 1509.222, or 1509.223 of the Revised Code, the court may order the forfeiture of all or part of the bond as full or partial payment of damages. The Chief shall not release the bond except by court order or until two (2) years after termination of a registration certificate.

The format of the Brine Hauler Annual Report can be altered to accommodate data entry; however, the information required will remain the same.

If you have any questions, please contact me at (614) 265-1032.

Sincerely,

Tom Tomastik, Geologist
Technical Support Services Section
Division of Oil & Gas Resources Management
2045 Morse Road, Building ~~H-3~~ ~~F-2~~
Columbus, Ohio 43229-6693

Enclosure

[1509.22.3] 1509.223 Agreement to transport brine; duties of transporter; registration list.

(A) No permit holder or owner of a well shall enter into an agreement with or permit any person to transport brine produced from the well who is not registered pursuant to section 1509.222 [1509.22.2] of the Revised Code or exempt from registration under section 1509.226 [1509.22.6] of the Revised Code.

(B) Each registered transporter shall file with the chief of the division of mineral resources management, on or before the fifteenth day of April, a statement concerning brine transported, including quantities transported and source and delivery points, during the last preceding calendar year, and such other information in such form as the chief may prescribe.

(C) Each registered transporter shall keep on each vehicle used to transport brine a daily log and have it available upon the request of the chief or an authorized representative of the chief or a peace officer. The log shall, at a minimum, include all of the following information:

(1) The name of the owner or owners of the well or wells producing the brine to be transported;

(2) The date and time the brine is loaded;

(3) The name of the driver;

(4) The amount of brine loaded at each collection point;

(5) The disposal location;

(6) The date and time the brine is disposed of and the amount of brine disposed of at each location.

No registered transporter shall falsify or fail to keep or submit the log required by this division.

(D) Each registered transporter shall legibly identify with reflective paints all vehicles employed in transporting or disposing of brine. Letters shall be no less than four inches in height and shall indicate the identification number issued by the chief, the word "brine," and the name and telephone number of the transporter.

(E) The chief shall maintain and keep a current list of persons registered to transport brine under section 1509.222 [1509.22.2] of the Revised Code. The list shall be open to public inspection. It is an affirmative defense to a charge under division (A) of this section that at the time the permit holder or owner of a well entered into an agreement

with or permitted a person to transport brine, the person was shown on the list as currently registered to transport brine.

HISTORY: 140 v H 501 (Eff 4-12-85); 148 v H 601. Eff 6-14-2000.

**APPLICATION FOR BRINE TRANSPORTER REGISTRATION
 OR MODIFICATION OF DISPOSAL PLAN (Form 12)**

I. APPLICANT'S NAME: _____ REGISTRATION #: _____
 (if modification)

DOING BUSINESS AS (trade name, if any): _____

APPLICANT'S ADDRESS: _____
 (Street)

 (City) (State) (Zip)

PRINCIPAL BUSINESS ADDRESS (if different from above): _____
 (Street)

 (City) (State) (Zip)

COUNTY: _____ APPLICANT'S PHONE #: (_____) _____
 (Area Code)

BUSINESS PHONE # (if different): _____ (_____) _____
 (Area Code)

II. VEHICLES:

<u>YEAR</u>	<u>MAKE</u>	<u>STATE OF REGISTRATION</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

III. DISPOSAL METHODS AND SITES:

<u>SALTWATER INJECTION</u>		<u>ENHANCED RECOVERY</u>	
<u>County/Township</u>	<u>Permit #</u>	<u>County/Township</u>	<u>ER Project #</u>
/		/	
/		/	
/		/	
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REQUIRED BY SECTION 1509.222, OHIO REVISED CODE - FAILURE TO SUBMIT MAY RESULT IN AN ASSESSMENT OF CRIMINAL FINES NOT LESS THAN \$100.00 NOR MORE THAN \$20,000 OR IMPRISONMENT FOR NOT LESS THAN SIX (6) MONTHS OR NOT MORE THAN TWO (2) YEARS. CIVIL PENALTIES MAY BE ASSESSED NO LESS THAN \$2,500.00 NOR MORE THAN \$20,000.

IV. SURFACE APPLICATION POINTS:

EXAMPLE (S):

A) Application Points: Twp. Rd. 101 between Lebbel Lane and Twp. Rd. 144

County: Clark Township: Bethel Other: _____

Resolution Approved by: Clark County Written Plan Approved: Yes No

B) Application Points: Big Bear Parking Lot

County: Gallia Township: Springfield Other: _____

Resolution Approved by: Gallia County Written Plan Approved: Yes No

1) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

2) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

3) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

4) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

5) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

6) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

7) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

8) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

8) Application Points: _____

County: _____ Township: _____ Other: _____

Resolution Approved by: _____ Written Plan Approved: Yes No

**SURETY BOND
FOR BRINE TRANSPORTATION SYSTEM
(Form 18)**

KNOW ALL MEN BY THESE PRESENTS:

That we, _____ of _____
(principal) (permanent address)

County of _____, State of _____, as Principal,
and _____ as Surety,
(name of surety) (address)

are held and firmly bound unto the People of the State of Ohio in the sum of FIFTEEN THOUSAND DOLLARS (\$15,000.00), to the payment whereof the said Principal and Surety bind themselves, their heirs, executors, administrators, successors and assigns jointly and severally, firmly by these presents.

WHEREAS, the above-named Principal has applied to the Department of Natural Resources, Division of Oil and Gas Resources Management of the State of Ohio for a registration certificate to operate an OIL FIELD BRINE TRANSPORTATION SYSTEM.

NOW, THEREFORE, THE CONDITIONS OF THIS OBLIGATION ARE SUCH, that if the Principal herein shall fully comply with Sections 1509.22, 1509.222, or 1509.223 of the Ohio Revised Code as amended or enacted by an Act entitled, "Amended Substitute House Bill Number 501," (effective April 12, 1985), and amendments thereto, or any rules, orders, or terms and conditions of registration certificates issued by said Department pursuant to the above provisions, said Act and all amendments thereto and said rules, orders, and terms and conditions of registration certificates hereby specifically referred to and by reference made a part hereof, so that no damage to person, property, or both, occurs as a result of a violation of the above provisions, then this obligation shall be null and void; otherwise to remain in full force and effect.

The principal desiring to terminate its registration must furnish proof satisfactory to the Department of Natural Resources, Division of Oil and Gas Resources Management, that it has fully complied with the terms and conditions of this bond.

The Surety must notify the Division of Oil and Gas Resources Management of intent to cancel by giving a thirty (30) day notice in writing to the Division. The notice shall be forwarded to the Division by certified mail – return receipt requested. If this bond is substituted for any prior bond carried or security pledged to the State by the Principal or by any predecessor in interest of the Principal which prior bond is terminated, canceled, returned or allowed to expire as of the time of such substitution, the Surety agrees that this bond applies to a loss sustained by, or caused to, persons, property, or both, as a result of a violation of Sections 1509.22, 1509.222 or 1509.223 of the Ohio Revised Code by Principal, as the case may be, prior to or during the period that this bond is in effect, provided that such loss is discovered after the beginning of the bond period and prior to the cancellation of this bond as an entirety and that such loss would have been recoverable by the Persons suffering such loss under such prior bond.

In no event shall the surety be liable for a greater sum than the penalty of this bond. However, payment in part of the face amount of this bond shall not constitute extinguishments of the obligation of surety hereunder, absent notification

of cancellation of the bond received by the Division of Oil and Gas Resources Management in the manner prescribed in the preceding paragraphs. In no event shall Principal continue to operate an OIL FIELD BRINE TRANSPORTION SYSTEM WITHOUT SECURING AND MAINTAINING A SURETY BOND TO SUCCEED A BOND CANCELED FOR ANY REASON (INCLUDING BUT NOT LIMITED TO PAYMENT OF THE FACE AMOUNT OF THE BOND BY SURETY OR FAILURE OF PRINCIPAL TO PAY PREMIUMS ON THIS BOND).

IN WITNESS WHEREOF, we have hereunto set our respective hands and seals this _____ day of _____, 20_____.

PRINCIPAL (PRINTED NAME)	SURETY (PRINTED NAME)
State of _____ County of _____, ss: The foregoing bond was acknowledged before me this _____ day of _____, 20_____, on behalf of _____ (Principal) by _____ (Authorized Agent)	State of _____ County of _____, ss: The foregoing bond was acknowledged before me this _____ day of _____, 20_____, on behalf of _____ (Surety) by _____ (Authorized Agent)
_____ NOTARY PUBLIC (SEAL) _____ Date Commission Expires _____	_____ NOTARY PUBLIC (SEAL) _____ Date Commission Expires _____

A CERTIFICATE OF COMPLIANCE SIGNED BY THE SUPERINTENDENT OF INSURANCE OF OHIO, MUST BE ATTACHED TO THIS BOND. WHEN PRINCIPAL OR SURETY EXECUTES THIS BOND BY AGENT, POWER OF ATTORNEY OR OTHER EVIDENCE OF AUTHORITY MUST BE ATTACHED.

**ASSIGNMENT
FOR
CERTIFICATE OF DEPOSIT**

FOR VALUE RECEIVED, I/We hereby assign this Certificate of Deposit unto:

**STATE OF OHIO
DIVISION OF OIL AND GAS RESOURCES MANAGEMENT**

Signature of Registered Owner	Name of Owner (please print)
Certificate Number	Issue Date
Renewal Term	Maturity Date
The assignment of said Certificate of Deposit is Acknowledged and recorded on the books of the issuing office by:	
Issuing Bank or Institution	Address
Signature and Title of Bank Official	Telephone Number
	Date

THE ABOVE ASSIGNMENT MUST BE ON THE BACK OF ALL CERTIFICATES OF DEPOSIT OR AS AN ATTACHMENT.

NOTE: PLEASE USE BLUE INK

Please check this box to ensure a **HOLD** has been placed on this account for the Benefit of the State of Ohio, Division of Oil and Gas Resources Management.

OHIO DEPARTMENT OF NATURAL RESOURCES
Division of Oil and Gas Resources Management
2045 Morse Road, Bldg., H-3
Columbus, OH 43229-6693

BRINE HAULERS
Proof of Insurance Requirements

Section 1509.222 of the Ohio Revised Code states in part, " a certificate issued by an insurance company authorized to do business in this state certifying the applicant has in force a liability insurance policy in an amount not less than three hundred thousand dollars bodily injury coverage and three hundred thousand dollars property damage coverage to pay damages for injury to persons or property caused by the collecting, handling, transportation, or disposal of brine. The policy shall be maintained in effect during the term of the registration certificate. The policy or policies providing such coverage shall require the insurance company to give notice to the Chief if the policy or policies lapse for any reason".

PLEASE NOTE:

The insurance policy must meet the requirements of \$300,000 for bodily injury and \$300,000 for property damage. A combined single limit of \$300,000 for bodily injury/property damage will not meet the requirements. Combined single limits for property damage/bodily injury must equal or exceed \$600,000.

Questions concerning the insurance requirements should be directed to Erica Freeman in the Surety Section at (614) 265-6900.